



CURRENT AFFAIRS

APRIL 2020

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POLITY AND GOVERNANCE

**Paper II: This section is relevant to Polity and Governance Section of GS
Paper II**



1.1 MPLADS SCHEME

Topic: Functions and Responsibilities of Union and States

Why in News: The Union Cabinet approved a 30% cut in the salaries of all Members of Parliament. It also approved a two-year suspension of the MP Local Area Development (MPLAD) scheme so that the amount saved can go to the Consolidated Fund of India to fight COVID-19.

MPLADS Scheme

- **Members of Parliament Local Area Development Scheme (MPLADS) is a scheme formulated by Government of India in December 1993.**
- The objective of the scheme is to enable MPs to recommend works of developmental nature with emphasis on the creation of durable community assets based on the locally felt needs to be taken up in their Constituencies.
- **Ministry:** The scheme was transferred to the Ministry of Statistics and Program Implementation in October 1994. Initially, the scheme was administered by Ministry of Rural Development.

Area of recommendation

- Lok Sabha Members can recommend works within their Constituencies in one or more districts and Elected Members of Rajya Sabha can recommend works within the State of Election in one or more districts.
- Nominated Members of both the Rajya Sabha and Lok Sabha can recommend works anywhere in the country.
- MPs can also recommend work of upto Rs. 25 lakhs per year outside their constituency or state of election to promote national unity, harmony and fraternity.
- **Natural Calamity:** MPs can recommend work of upto 25 lakh for Natural Calamity in the state and upto Rs. 1 crore in the country in case of Calamity of Severe Nature (e.g. Tsunami, major cyclones and earthquakes).
- **SC/ST:** MPs need to recommend work worth at least 15% and 7.5% of their funds to create assets in areas inhabited by Scheduled Castes (SCs) and Scheduled Tribes (STs) respectively.

Agencies: The Ministry of Statistics and Program Implementation has been responsible for the policy formulation, release of funds and prescribing monitoring mechanism for implementation of the Scheme.

- A Department in each State/UT is designated as the Nodal Department with the overall responsibility of supervision, monitoring and coordination of the MPLADS implementation with the districts and other Line Departments.
- The Government of India informs the State Nodal Department about the MPLADS funds released to the District Authorities. The District Authorities report the status of MPLADS implementation to the Government of India and State Nodal Department.
- District authorities (DAs) sanction the work recommended by MPs; sanction funds; identify implementation agency and user agency, implement the work on ground, transfer assets to user agency, and report back to ministry about status of MPLADS in the district.

Funding

- In 1993-94, when the Scheme was launched, an amount of Rs. 5 lakh per Member of Parliament was allotted which became Rupees 1 crore per annum per MP constituency from 1994-95. This was stepped up to Rs. 2 crore from 1998-99 and now it is Rs.5 crore from the financial year 2011-12.
- Funds are non-lapsable in nature i.e. in case of non-release of fund in a particular year; it is carried forward to the next year.

Fund Convergence

- Funds for MPLADS can be converged with Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for creating more durable assets and with National Program for Development of Sports (Khelo India).
- MPLAD Scheme can be converged in individual/stand-alone projects of other Central and State Government schemes provided such works of Central/State Governments Schemes are eligible under MPLADS.
- Funds from local bodies can similarly also be pooled with MPLADS works. Wherever such pooling is done, funds from other scheme sources should be used first and the MPLADS funds should be released later, so that MPLADS fund results in completion of the project.

Type of recommended work

- Works which will serve greater public purpose and not purpose of few individuals need to be recommended. MPs make the recommendations about the spending of MPLADS, while the District Authority is in charge of the execution.
- Where the District Authority considers that a recommended work cannot be executed due to some reason, the District Authority shall inform the reasons to the MP concerned, as well as the state and central governments.

Key priority sectors: Drinking water facility, education, electricity facility, non-conventional energy resources, healthcare and sanitation, irrigation facilities, railways, roads, pathways and bridges, sports, agriculture and allied activities, self-help group development, urban development.

Works not permitted: Construction of office and residential buildings for public and private agencies, land acquisition or paying compensation, naming assets after individuals, grants or loans to state/central relief fund, assets for individual benefits, works on lands belonging to religious groups, execution of works in unauthorized colonies.

Latest Development

Suspension of MPLADS

- The union cabinet, chaired by the Prime Minister, has decided to suspend the MPLAD funds for 2020-2021 and 2021-2022.
- In recent weeks, many MPs had contributed their MPLAD funds for COVID-19 related measures.
- So, instead of piecemeal efforts, a comprehensive decision was taken to suspend MPLADS for two years.
- The amount saved from the scheme would be Rs 7,900 crore, which would be directed to the Consolidated Fund of India to fight COVID-19.

Cut in salaries of various VIPs

- The union cabinet has also approved an ordinance to amend the Salaries, Allowances and Pension of Members of Parliament Act, 1954, to cut the salaries of MPs by 30%.
- The Indian President and Vice-President, as well as all Governors, have also decided of their own volition to take a 30% salary cut.
- The entire amount saved would go to the Consolidated Fund of India.

1.2 PANCHAYATI RAJ

Topic: Hierarchy of Administration and Governance

Why in News: Prime Minister Narendra Modi interacted with Sarpanchs of Gram Panchayats throughout the country today through Video Conferencing, on the occasion of National Panchayati Raj Day 2020.

National Panchayati Raj Day

- National Panchayati Raj Day is the national day of Panchayati Raj System in India celebrated by Ministry of Panchayati Raj on 24 April annually.
- It marks the passing of the Constitution (73rd Amendment) Act, 1992 that came into force with effect from 24th April, 1993 which institutionalized Panchayati Raj through the Village, Intermediate and District levels Panchayats.
- On National Panchayati Raj Day, the national Panchayats Awards are given. The nominations for these awards are invited online every year.

National Panchayat Awards:

- **Deendayal Upadhyay Panchayat Sashaktikaran Puraskar:** conferred upon Panchayati Raj Institutions for exemplary work for improving delivery of services and public goods
- **Nanaji Deshmukh Rashtriya Gaurav Gram Sabha Puraskar:** conferred upon Panchayati Raj Institutions for outstanding performance through effective Gram Sabhas
- **Child-friendly Gram Panchayat Award (CFGPA)**
- **Gram Panchayat Development Plan (GPDP) Award**
- **e-Panchayat Puraskars:** given to State Governments for effective adoption, usage and encouragement of Panchayats in e-enablement.

Latest Development

- Addressing the Sarpanch's all over the country, the Prime Minister said the Corona pandemic has changed the way people worked and taught a good lesson.
- He said that the progress of Panchayats will ensure the development of the nation and democracy.
- During his interaction with the sarpanchs, PM complimented the villages for giving the mantra - '**Do Gaj Doori**' to define social distancing in simpler terms.

Lessons of self-reliance from the Coronavirus pandemic

- The Prime Minister said the pandemic taught us that one has to be self-reliant and self-sufficient.
- Every Village has to be self-sufficient enough to provide for its basic needs, and similarly every district has to be self-sufficient at its level.
- Every state has to be self-reliant at its level and the whole country has to be self-reliant at its level.
- It has taught us that we should not look for solutions outside the country. This is the biggest lesson we have learnt.

- He remembered Mahatma Gandhi's conception of Swaraj as being based on Gram Swaraj.

Digitization efforts to help Panchayats in this regard

- The Prime Minister said that the Government worked hard in trying to provide self-sufficiency to villages and making the Gram Panchayats stronger.
- In the last five years, nearly 1.25 Lakh Panchayats have been connected through broadband from a mere 100 before.
- Similarly, the number of Common Service Centers (CSCs) had crossed 3 Lakhs.
- With mobile phones now being manufactured in India, the cost of smart phones has become cheaper and the low cost smart phones have reached every village and this would further strengthen the digital infrastructure at village level.
- The Prime Minister urged the use of digital platforms such as e-NAM and GEM portal to reach out to larger markets for better prices for village produce.

Launch of Portal and Scheme for the Panchayats

- During this event, the Prime Minister launched a unified **e-GramSwaraj Portal and mobile application and Swamitva Scheme.**

e-GramSwaraj

- The e-GramSwaraj helps prepare and execute Gram Panchayat Development Plans.
- The portal will ensure real time monitoring and accountability.
- The portal is a major step towards digitization down to the Gram Panchayat level.

Swamitva Scheme

- The Swamitva scheme was launched in pilot mode in 6 states to help map rural inhabited lands using drones and latest survey methods.
- The scheme will ensure streamlined planning, revenue collection and provide clarity over property rights in rural areas.
- This will open up avenues for applying for loans from financial institutions by the owners.
- Disputes related to property would also be settled through the title deeds allotted through this scheme.

1.3 UDDHAV THAKREY NOMINATION (CM TIMELINE ISSUE)

Why in News: On April 9, the Maharashtra Cabinet recommended to Governor of the state that Chief Minister Uddhav Thackeray should be nominated to one of the seats reserved for the Governor's nominee in the state Legislative Council. A fortnight later, the Governor is yet to act on the Cabinet's recommendation — even as the Chief Minister's current term in office approaches its end.

The Issue

- **As per Article 164(4)**, of the Constitution, if a Minister is not a member of the Legislature of the State for six consecutive months, he/she shall cease to be a Minister at the end of that period.
- As per this provision, the Chief Minister Thackeray must become a part of the Maharashtra legislature before May 27, however, with the ongoing coronavirus pandemic, a by-election cannot be held.
- Two Legislative Council seats in the Governor's quota are currently vacant, however, the terms of these vacancies end on June 6, and a fresh appointment can be made only for the remainder of the term.
- **It has been argued that Section 151A of The Representation of the People Act, 1951, prohibits the filling of a vacancy if the remainder of the term of a member in relation to a vacancy is less than one year.**
- On the other hand, some argue that this cannot be a reason for the Governor to refuse nomination because they say the said prohibition is only applicable in respect of a by-election to fill a vacancy and not for the route of nomination.

The nomination route

- **Under Article 171(5)**, the Governor can nominate persons having special knowledge or practical experience in respect of literature, science, art, co-operative movement and social service.
- As per this provision Mr. Thackeray's supporters say that he can stake a claim for nomination, as he is an ace wildlife photographer and, as per the Allahabad High Court in Har Sharan Varma vs Chandra Bhan Gupta (1961), even politics can be seen as 'social service'.

Examples of the Chief Executives taking the nomination route

- A situation in which an individual who is not a member of the legislature becomes chief executive of the government is fairly common.
- H D Deve Gowda was not a Member of Parliament when he was appointed Prime Minister in June 1996.

- Similarly, Sushil Kumar Shinde and Prithviraj Chavan were not members of the Maharashtra legislature when they became Chief Minister in 2003 and 2010 respectively.

Discretion of the Governor

- In **Biman Chandra Bose vs Dr H C Mukherjee (1952)** the Calcutta High Court rejected the plea that none of the nine nominated members to the legislature fulfilled the required criteria. It held that the Governor cannot use his discretion in nominating members to the Council and has to go by the aid and advice of the Council of Ministers.
- Further, Article 163(1) of the Constitution makes it clear that the Governor must follow the recommendations of the Council of Ministers in all situations except when he is required by the Constitution to exercise his own discretion.
- Some experts have argued that the Governor is bound by the advice of the Council of Ministers only in executive matters as defined in Article 162 (those with respect to which the Legislature of the State has power to make laws) and since the nomination of members is not an executive power, he can act in his discretion, like in the current case.
- Also, the Constitution specifically mentions the situations in which the Governor can act in his discretion.
- Although, the Governor does have a general discretion in appointing the Chief Minister, there are well established conventions governing the exercise of such discretion.

Way Ahead

- The Governor could argue that he is not obligated under the Constitution to act swiftly on the advice of the Council of Ministers.
- It is an interesting situation as this is also happening in the midst of a health emergency.

1.4 FAKE NEWS

Topic: Governance

Why in News: The Supreme Court asked the Centre to set up a portal for dissemination of real time information on the coronavirus pandemic to counter the panic being spread through fake news.

Background

- In a post-truth era, the contagion of fake news has gripped the world in equal parts. Right from the United States of America, to emerging economies like India, Brazil and others, no one seems to be spared.
- Deeply interlinked with technological developments, “disinformation” and “misinformation” have become pervasive in our news bubbles.
- As the world’s largest democracy with the second largest population, the issue of fake news poses a unique threat in India.

What is Fake News?

- False information is news, stories or hoaxes created to deliberately misinform or deceive readers.
- Usually, these stories are created to influence people’s views, push a political agenda or cause confusion and can often be a profitable business for online publishers.
- False information can deceive people by looking like trusted websites or using similar names and web addresses to reputable news organizations.

The scale of fake news in India

- Spread of fake news has hit a new high in 2019 with every major event, from the general elections and Pulwama attacks to scrapping of Article 370 and the ongoing protests against the Citizenship Amendment Act, triggering extensive distribution of misinformation across social media platforms.
- India has the largest number of social media users in the world across platforms such as Facebook, YouTube, Instagram, WhatsApp, ShareChat and TikTok.
- Fake stories, rumours and hate speech spread through social media have been connected to various incidents of mob attacks and lynching in the country.
- Under pressure from the government and regulators such as the Election Commission, social media platforms have introduced various restrictions on sharing of posts and blocked accounts of many users.

Constitutional provisions in India

- There is no specific law in India to deal with fake news but there are statutory and self-regulatory bodies to act against dissemination of misinformation.
- Free publication or broadcast of news in India flows from the fundamental right to freedom of expression as enshrined under Article 19 of the Constitution.
- However, there are certain legal recourses available for people affected by fake news.

- **News Broadcasters Association (NBA):** Complaints can be lodged with the News Broadcasters Association (NBA) which represents the private television news and current affairs broadcasters. It is funded by its over 60 members.
- The NBA is the credible voice of news broadcasters to the government.
- It is self-regulatory in nature and probes complaints against news broadcasters in a fair manner.
- **Indian Broadcast Foundation (IBF):** There is another body called the Indian Broadcast Foundation (IBF) which was created in 1999 to look into the complaints against contents aired by 24x7 channels.
- Over 650 news channels are in operation today in the country.
- Complaint against any broadcaster can be filed in English or Hindi to IBF online or offline for promoting smoking, abuse or any violent action.
- **Broadcasting Content Complaint Council (BCCC):** A complaint relating to objectionable TV content or fake news can be filed to the Broadcasting Content Complaint Council if a broadcaster incites communal hatred, encourages violence against women or child abuse, airs contents having gory scenes of violence, promotes superstition or consumption of drugs and other contraband substances.
- **Defamation:** Defamation suit is also a legal tool available in the case of fake news. If a person finds fake news defamatory s/he can file a civil or criminal case for defamation.
- IPC Section 499 makes defamation a criminal offence. Section 500 provides for punishment for criminal defamation that can extend up to a jail term of two years with or without fine.

Way Forward

Fake news has become an online epidemic. During this time, the government needs to adopt a pronged strategy to deal with fake information. The way forward is the strict measures:

- To rethink the intermediary liability rules to ensure a greater degree of social responsibility and transparency from tech companies
- To pass a law that strictly defines fake news
- To ensure tech literacy through awareness drives, to inculcate the habit of verifying all content received.

Apart from the above, the journalism needs to become effective again. What is actually needed is 'media literacy'. Moreover, the citizens should become aware of how to consumer media, see news and how to play an active role in changing things for the better.

INTERNATIONAL RELATIONS

❖ **Paper II (GS): All the Articles of this section are relevant to the following topics:**

- **India and its Neighbourhood – Relations**
- **Bilateral, Regional and Global Groupings and Agreements involving India and / or affecting India's Interests**

❖ **Prelims Oriented Questions and Places in News for Maps/ Matching**



2.1 SAARC

Why in News: After Pakistan announced \$3 million for SAARC Covid-19 Emergency Fund with certain conditions, India said the degree of seriousness of each SAARC member-nation in collectively fighting COVID-19 can be gauged by their behaviour.

Background

- In March 2020, in an unprecedented initiative, SAARC leaders recently held a summit via video-conference to discuss the way forward to fight the coronavirus pandemic.
- During the meeting, India proposed to create a SAARC COVID-19 emergency fund, which could be based on voluntary contributions from all the SAARC nations and can be used to meet the cost of immediate actions.
- India offered an initial contribution of US\$10 million that will be at the disposal of all SAARC countries.
- Bangladesh has announced US\$1.5 million as a contribution to the emergency fund, while Afghanistan has extended support of US\$1 million.
- Likewise, the Maldives, Nepal, Bhutan and Sri Lanka have offered US\$2 million, US\$1 million, US\$ 100,000 and US\$5 million respectively.

Latest Development

- Pakistan has also now announced \$3 million for SAARC Covid-19 Emergency Fund, becoming the last SAARC country to contribute to the fund.
- However, Pakistan also said that the amount be administered by the SAARC secretariat.
- India believes that by involving the secretariat, Pakistan is only looking to stifle the SAARC COVID initiative with procedural formalities.
- Indian government maintained that initiatives taken under extraordinary circumstances are focused on jointly dealing with the pandemic without being bounded by any procedural formalities.
- India responded by saying that the degree of seriousness of each SAARC nation can be gauged by their behavior.
- India said that it is for each SAARC member-state to decide on the timing, manner and implementation of their SAARC Covid-19 Emergency Response Fund commitments. India also noted that the commitment made by the Indian Prime Minister is today in an advanced stage of implementation.

SAARC

- The South Asian Association for Regional Cooperation (SAARC) is an intergovernmental organization of South Asian countries that was established with the signing of the SAARC Charter in Dhaka in 1985.
- The Secretariat of the Association has been set up in Kathmandu, Nepal.

Members

SAARC was founded by seven states in 1985. Afghanistan joined as member state in 2007. Now, SAARC comprises of eight Member States:

- Afghanistan
- Bangladesh
- Bhutan
- India
- Maldives
- Nepal
- Pakistan
- Sri Lanka

States with observer status include: Australia, China, the European Union, Iran, Japan, Mauritius, Myanmar, South Korea and the United States.

Key objectives

- To promote the welfare of the peoples of South Asia
- To accelerate economic growth, social progress and cultural development in the region
- To promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields
- To strengthen cooperation among themselves in international forums on matters of common interests

Areas of Cooperation of SAARC

- Human Resource Development and Tourism
- Agriculture and Rural Development
- Environment, Natural Disasters and Biotechnology
- Economic, Trade and Finance

- Social Affairs
- Information and Poverty Alleviation
- Energy, Transport, Science and Technology
- Education, Security and Culture

List of SAARC Summits

- 1st in 1985: Bangladesh
- 2nd in 1986: India
- 16th in 2010: Bhutan
- 17th in 2011: Maldives
- 18th in 2014: Nepal
- 19th in 2016: Pakistan (Cancelled)

The 19th SAARC summit was a scheduled diplomatic conference, which was to be held in Islamabad, Pakistan.

Following the rising tensions after the Uri terrorist attack, India announced its boycott of the summit. Later, Bangladesh, Afghanistan, Bhutan, Sri Lanka and Maldives also pulled out of the summit.

South Asian Free Trade Area (SAFTA)

- The South Asian Free Trade Area (SAFTA) is an agreement that created a free trade area between the SAARC nations.
- The SAFTA agreement came into force in 2006 and it aimed to reduce customs duties of all traded goods to zero by the year 2016.
- The least developed nations in South Asia- Nepal, Bhutan, Bangladesh, Afghanistan and Maldives, were given additional time to reduce tariffs to zero.
- **Objective:** To promote and sustain mutual trade and economic cooperation within the SAARC region through the exchange of concessions.

2.2 G20 ON GLOBAL HUNGER

Why in News: G20 agriculture ministers have pledged to ensure sufficient global food supplies amid the coronavirus pandemic as the UN warned the number of people facing acute hunger globally could nearly double.

The members stressed on the importance of avoiding food losses and wastage caused by disruptions throughout food supply chains, which could increase food insecurity and nutrition risks and economic loss.

The G20 members will work together to help ensure that sufficient, safe, affordable and nutritious food continues to be available and accessible to all people, including the poorest, the most vulnerable, and displaced people.

Rise in Global Hunger

- The said efforts are important as the number of people facing acute food insecurity could increase to 265 million in 2020, as a result of the economic impact of COVID-19.
- The warning came as a report by the WFP and its partners said food insecurity had already risen last year before the outbreak of the coronavirus crisis.
- It found that 135 million people in 55 countries were living in acute food crises or outright humanitarian emergencies last year.
- The impact of lost tourism revenues, falling remittances and travel and other restrictions linked to the coronavirus pandemic are expected to leave some 130 million people acutely hungry this year, adding to around 135 million already in that category.

World Food Program (WFP)

- The World Food Program (WFP) is the food-assistance branch of the United Nations and the world's largest humanitarian organization addressing hunger and promoting food security. It is a member of the United Nations Development Group and part of its executive committee.
- WFP was established in 1961 after the 1960 Food and Agriculture Organization (FAO) Conference, when the US Food for Peace Program, proposed establishing a multilateral food aid program.
- The WFP was formally established in 1963 by the FAO and the United Nations General Assembly on a three-year experimental basis. In 1965, the program was extended to a continuing basis.
- From its headquarters in Rome and from more than 80 country offices around the world, the WFP works to help people who cannot produce or obtain enough food for themselves and their families.
- WFP food aid is also directed to fight micronutrient deficiencies, reduce child mortality, improve maternal health, and combat disease, including HIV and AIDS.
- Food-for-work programs help promote environmental and economic stability and agricultural production.

Objectives of WFP

The WFP strives to eradicate hunger and malnutrition, with the ultimate goal in mind of eliminating the need for food aid itself. The objectives that the WFP hopes to achieve are to:

- Save lives and protect livelihoods in emergencies
- Support food security and nutrition and (re)build livelihoods in fragile settings and following emergencies
- Reduce risk and enable people, communities and countries to meet their own food and nutrition needs
- Reduce under-nutrition and break the inter-generational cycle of hunger.
- Zero Hunger in 2030

2.3 SOUTH CHINA SEA

Why in News: Even as the world remains distracted by the coronavirus pandemic, China has increased its 'aggressive expansionism' in the South China Sea causing concern not only among its smaller neighbours but India and the US as well.

This time the focus of its acquisitory attention are the two disputed archipelagos of the Spratly Islands and the Paracel Islands in the middle of the South China Sea waters, between the territory of Vietnam and the Philippines.

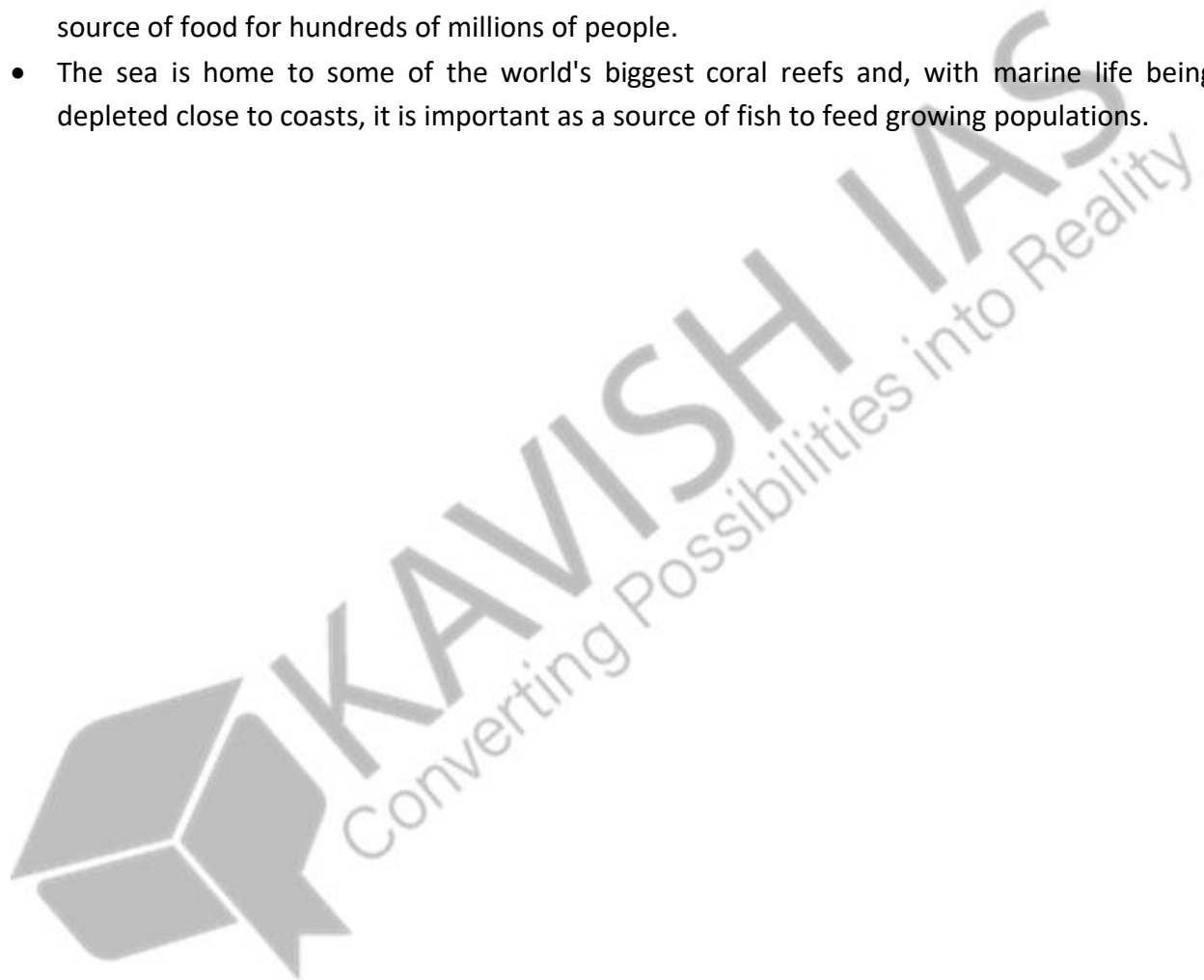
Beijing unilaterally renamed 80 islands and other geographical features in the area, drawing criticism from neighbouring countries who have also laid claim to the same territory.

South China Sea

- South China Sea is bounded on the northeast by the Taiwan Strait (by which it is connected to the East China Sea); on the east by Taiwan and the Philippines; on the southeast and south by Borneo, the southern limit of the Gulf of Thailand, and the east coast of the Malay Peninsula; and on the west and north by the Asian mainland.
- Most of its hundreds of small islands, islets and rocks were originally uninhabited. The Paracel and Spratly chains contain the biggest islands. Scarborough Shoal (Bajo de Masinloc or Panatag Shoal) is a small outcrop in the east.
- Beijing and most other countries know it as the South China Sea. Hanoi calls it the East Sea and Manila officially refers to it as the West Philippine Sea.

Importance of South China Sea

- The South China Sea is a key commercial thoroughfare connecting Asia with Europe and Africa, and its seabed is rich with natural resources. One third of global shipping, or a total of US\$3.37 trillion of international trade, passes through the South China Sea.
- About 80 percent of China's oil imports arrive via the Strait of Malacca, in Indonesia, and then sail across the South China Sea to reach China.
- The sea is also believed to contain major reserves of natural resources, such as natural gas and oil.
- The South China Sea also accounts for 10 percent of the world's fisheries, making it a key source of food for hundreds of millions of people.
- The sea is home to some of the world's biggest coral reefs and, with marine life being depleted close to coasts, it is important as a source of fish to feed growing populations.





The Spratly Islands dispute

- There has been an ongoing territorial dispute between China, Taiwan, Vietnam, the Philippines, and Malaysia concerning the ownership of the Spratly Islands archipelago and nearby geographical features like corals reefs, cays etc.

- Since 1968, these nations have engaged in varying kinds of military occupation of the islands and the surrounding waters, with the exception of Brunei, that has contained its objections to the use of its maritime waters for commercial fishing.
- Although the Spratly Islands are largely uninhabited, there is a possibility that they may have large reserves of untapped natural resources, however, due to the ongoing dispute, there have been few initiatives to explore the scale of these reserves.
- Hence, the amount of natural resources that the islands may have, are based on speculation and extrapolation by studying resources available in nearby islands.
- Over the years, US government agencies have claimed that there is little to no oil and natural gas in these islands, but these reports have done little to reduce the territorial dispute.

The Paracel Islands dispute

- The Paracel Islands dispute is slightly more complex. This archipelago is a collection of 130 islands and coral reefs and is located in the South China Sea, almost equidistant from China and Vietnam.
- Beijing says that references to the Paracel Islands as a part of China sovereign territory can be found in 14th century writings from the Song Dynasty.
- Vietnam on the other hand, says that historical texts from at least the 15th century show that the islands were a part of its territory.
- These islands also find mention in records starting from the 16th century by explorers who led expeditions to the East — the Portuguese, British, Dutch, French and Spanish, have all written about the Paracel Islands in various texts.
- Colonial powers of the French-Indochina further accelerated the tensions with regard to the Paracel Islands due to their colonial policies in the 20th century.

Chronology of the Paracel Islands dispute since the 20th century

- By 1954, tensions had dramatically increased between China and Vietnam over the archipelago. In 1974, China and Vietnam fought over their territorial disputes after which China took over control of the islands.
- In retaliation, in 1982, Vietnam said it had extended its administrative powers over these islands. In 1999, Taiwan jumped into the equation laying its claim over the entire archipelago.
- Since 2012, China, Taiwan and Vietnam have attempted to reinforce their claims on the territory by engaging in construction of government administrative buildings, tourism, land reclamation initiatives and by establishing and expanding military presence on the archipelago.

Details of the recent dispute

- Following the recent establishment of new administrative districts on both Spratly and Paracel Islands, China announced that it had “named” 80 islands, reefs and other geographical features around the two archipelagos with Chinese names.
- The last time China had unilaterally engaged in a similar initiative was in 1983 where 287 geographical features had been renamed in the disputed chain of islands.
- This comes after Chinese ships sank a Vietnamese ship three days after Hanoi protested to the UN against China’s sovereignty claims in the South China Sea. Also, in March, China built two research stations on the territory claimed by the Philippines.
- In the past few years, China has stepped up military aggression and has created artificial islands for military and economic purposes in the South China Sea, drawing criticism from neighbouring countries and other western powers.
- Following China’s renaming of the islands, the US sent in an assault ship and a guided missile cruiser into the waters near Spratly and Paracel Islands, off the coast of Malaysia. Soon after, Chinese and Australian warships also entered the region.
- The US has no territorial claims in the South China Sea, but is known to send its naval force into the waters each time there are provocative developments in the waters, particularly angering China.

Concerns related to the recent dispute

- If the dispute were to intensify, experts believe that it could have serious consequences for diplomatic relations and stability in the region.
- The concern for India is that once China firms its grip over the South China Sea, it will use island outposts to power greater military power in the eastern Indian Ocean.

2.4 OPEC

Why in News: OPEC and allies led by Russia, have agreed to a record cut in output to give an upward push to oil prices amid the coronavirus pandemic.

Background

- A previous agreement by OPEC+ to cut production this year fell apart because of a dispute between Russia and Saudi Arabia.
- Other OPEC producers, such as Iraq, Kuwait and the United Arab Emirates, also followed Saudi Arabia’s move with steep cuts to their own oil prices.
- This triggered a price war that led to a significant increase in supply, just as demand for fuel went down due to the coronavirus pandemic.

- Post which, measures to slow the spread of the coronavirus have destroyed demand for fuel and driven down oil prices, impacting budgets of oil producers and the US shale industry, which is more vulnerable to low prices due to its higher costs.
- Global oil demand is estimated to have fallen by around 30 million bpd as more than 3 billion people are locked down in their homes due to the outbreak.

Latest Development

- OPEC and allies led by Russia, have agreed to a record cut in output to give an upward push to oil prices amid the coronavirus pandemic in an unprecedented deal including the United States, that could curb global oil supply by 20 per cent.
- The group, known as OPEC+, said it had agreed to reduce output by 9.7 million barrels per day (bpd) for May and June, following pressure from US to arrest the price decline.
- United States had threatened OPEC leader Saudi Arabia with oil tariffs and other measures if it did not fix the market's oversupply problem as low prices have put the US oil industry, the world's largest, in severe distress.
- The biggest oil cut ever is more than four times deeper than the previous record cut in 2008. Producers will slowly relax curbs after June, although reductions in production will stay in place until April 2022.

Global cut in production

- Total global cuts will include contributions from non-members, steeper voluntary cuts by some OPEC+ members and strategic stocks purchases by the world's largest consumers.
- The United States, India, Japan and South Korea have said they could buy oil to replenish reserves.
- As per Saudi Energy Minister, real effective cuts by OPEC+ would total 12.5 million bpd because Saudi Arabia, the United Arab Emirates and Kuwait would cut supplies steeper given higher output in April.
- Non-members Brazil, Canada, Indonesia, Norway and the United States would also contribute to cuts by around 4 million to 5 million bpd.

OPEC

- The Organization of the Petroleum Exporting Countries is an intergovernmental organization of 14 nations, founded in 1960 in Baghdad by the first five members (Iran, Iraq, Kuwait, Saudi Arabia, and Venezuela), and headquartered since 1965 in Vienna, Austria.

- The current OPEC members are Algeria, Angola, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Republic of the Congo, Saudi Arabia (the de facto leader), the United Arab Emirates and Venezuela. Ecuador, Indonesia and Qatar are former members.
- Its mission is to ensure the stabilization of oil markets, in order to secure an efficient, economic and regular supply of petroleum to consumers, a steady income to producers, and a fair return on capital for those investing in the petroleum industry.
- The organization is also a significant provider of information about the international oil market.
- The formation of OPEC marked a turning point toward national sovereignty over natural resources, and OPEC decisions have come to play a prominent role in the global oil market and international relations.

OPEC+

- OPEC+ is an agreement between OPEC and 10 Non-OPEC nations (notable among them Russia, Mexico and Kazakhstan) in order to protect oil prices from a global slowdown.
- OPEC's 14 members control 35 percent of global oil supplies and 82 percent of proven reserves. With the addition of the 10 Non-OPEC nations, those shares had increased to 55 percent and 90 percent respectively.
- The agreement signed in January 2017 in Vienna, called for the members of the deal to cut production by 1.8 million barrels/day of crude oil from global supplies from the beginning of 2017.
- The principle aim was to help ease the oversupply situation back then and importantly reduce the huge stocks that had been delaying the much-needed rebalancing of the oil market.

2.5 WHO

Why in News: The U.S. President Donald Trump has criticized WHO of being “very China centric” and had gone wrong in its response to the coronavirus pandemic and under-represented the severity of the outbreak. He threatened to freeze US’ funding to the World Health Organization. However, later he backtracked and said he would strongly consider such a move.

WHO

- The World Health Organization (WHO) was born during the moment of hopeful internationalism that followed the chaos of the Second World War.
- The idea of global collaboration in fighting disease was not new – in the 19th century, at periodic International Sanitary Conferences, countries had standardized quarantine procedures for cholera and yellow fever – but the WHO constitution, adopted in 1948,

envisioned a far grander global mission, nothing less than “the attainment by all people of the highest possible levels of health”.

- WHO is the directing and coordinating authority for health within the United Nations system.
- It is responsible for providing leadership on global health matters, shaping the health research agenda, setting norms and standards, articulating evidence-based policy options, providing technical support to countries and monitoring and assessing health trends.

WHO Funding and its allocation

WHO Funding has four kinds of contributions. These are:

Assessed contributions:

These contributions are the dues countries pay in order to be a member of the Organization. The amount each Member State must pay is calculated relative to the country's wealth and population.

Specified voluntary contributions:

These contributions come from Member States (in addition to their assessed contribution) or from other partners. They can range from flexible to highly earmarked.

Core voluntary contributions:

Core voluntary contributions allow less well-funded activities to benefit from a better flow of resources and ease implementation bottlenecks that arise when immediate financing is lacking.

Pandemic Influenza Preparedness (PIP) Contributions:

These contributions were started in 2011 to improve and strengthen the sharing of influenza viruses with human pandemic potential, and to increase the access of developing countries to vaccines and other pandemic related supplies.

- In recent years, assessed contributions to the WHO have declined, and now account for less than one-fourth of its funding. These funds are important for the WHO, because they provide a level of predictability and minimize dependence on a narrow donor base.
- Voluntary contributions make up for most of the remaining funding.
- As of 2019, total contributions were around USD 5.62 billion
 - Assessed contributions: USD 956 million

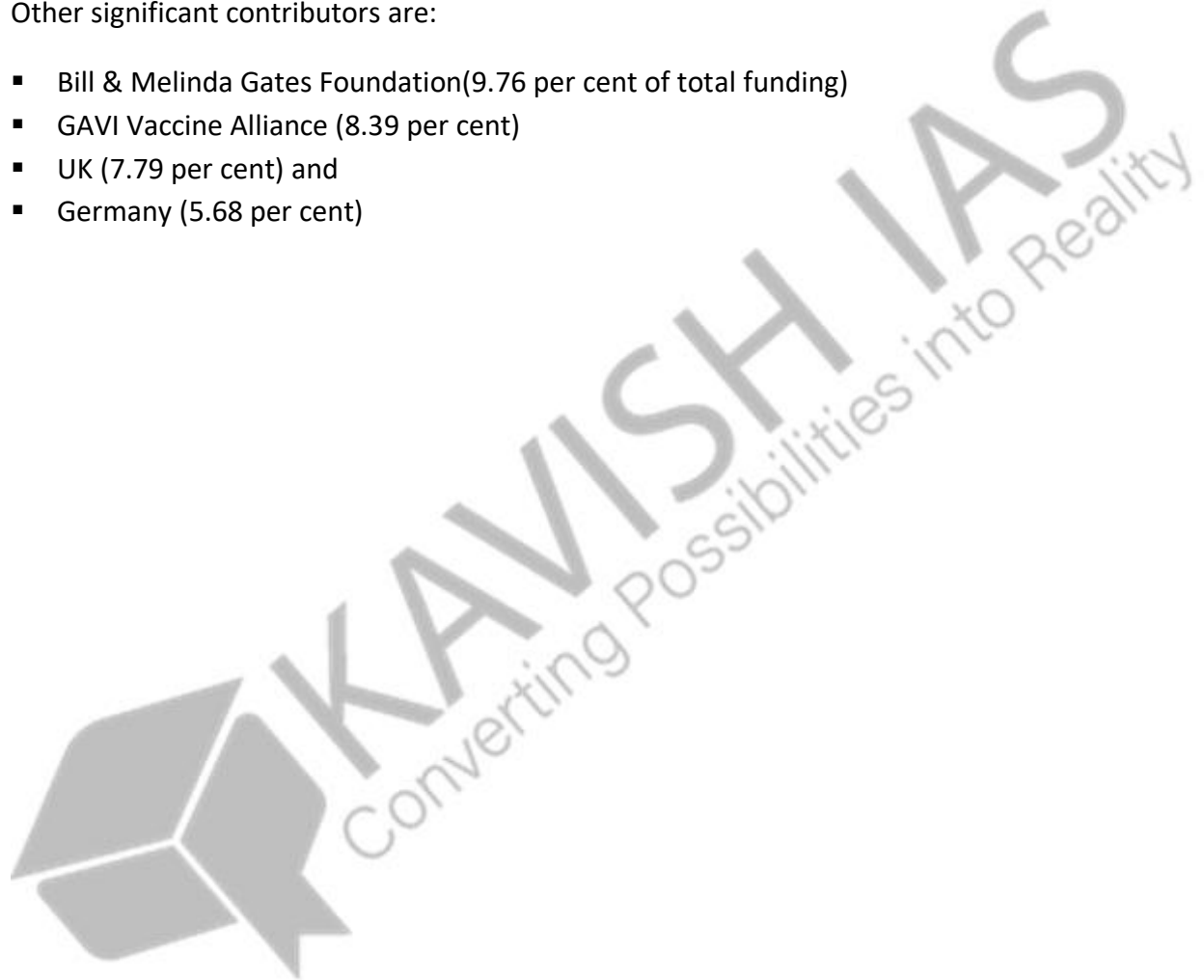
- Specified voluntary contributions: USD 4.38 billion (maximum)
- Core voluntary contributions: USD 160 million, and
- PIP contributions: USD 178 million

Present Funding Pattern

- At present, the United States is the largest contributor to WHO, making up 14.67 per cent of total funding.

Other significant contributors are:

- Bill & Melinda Gates Foundation(9.76 per cent of total funding)
- GAVI Vaccine Alliance (8.39 per cent)
- UK (7.79 per cent) and
- Germany (5.68 per cent)



SECURITY AND DEFENCE

❖ **Paper III: This section is relevant to the following topics:**

- **Linkages between development and spread of extremism.**
- **Role of external state and non-state actors in creating challenges to internal security.**
- **Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security; money-laundering and its prevention**
- **Security challenges and their management in border areas; linkages of organized crime with terrorism**
- **Various Security forces and agencies and their mandate**

❖ **Prelims Oriented Questions**

3.1 RAFALE JETS

Why in News: The arrival of the first batch of Rafale fighter jets for the Indian Air Force is likely to be delayed by around three months due to the COVID-19 pandemic.

Rafale Aircraft

- The Rafale is a twin-jet fighter aircraft able to operate from both an aircraft carrier and a shore base.
- It is a fully versatile aircraft which can carry out all combat aviation missions to achieve air superiority and air defence, close air support, in-depth strikes, reconnaissance, anti-ship strikes and nuclear deterrence.
- It is armed with a deadly weapons package, advanced avionics, radars and electronic warfare systems to prevent jamming by adversaries and ensure superior survivability in hostile contested airspace.
- Combat Range: 780-km to 1,650-km
- Its Meteor beyond visual range air-to-air missiles (BVRAAMs), powered by ramjet engines for a range over 120-150 km at Mach 4 speed, are the best in the world for air combat.
- The Rafale also has the fire-and-forget Scalp air-to-ground cruise missiles that can hit high-value fortified targets well over 300-km away.
- Each fighter can carry two Scalp missiles for precision strikes deep inside enemy territory without crossing over into rival airspace.
- Note: Pakistan and China do not have any missile in the class of Meteor, or even Scalp,” said the officer.

Background

- In September 2016, India and France signed a €7.87 billion Inter-Governmental Agreement (IGA) for 36 Rafale multi-role fighter jets in fly-away condition.
- Once the deal fructifies, India will only be the fourth country after France, Egypt and Qatar to fly the Rafale.
- The deal has a 50% offset clause as part of which French companies in the deal are setting up facilities in India and tying up with local companies to execute the obligations.
- The IAF has already completed preparations, including readying required infrastructure and training of pilots, to welcome the fighter aircraft.
- In October 2019, India's Defence Minister formally received the first Rafale fighter jet built for the Indian Air Force (IAF) in France.

RAFALE REPORTS FOR DUTY



Defence minister Rajnath Singh performs shastra puja of the first Rafale fighter delivered to the IAF at a factory of French aircraft manufacturer Dassault Aviation in France on Tuesday | P 7

THE DELIVERY

First four fighter jets to arrive in India by May 2020 after training of induction team in France

All 36 by April 2022

First 18 at Ambala in 17 'Golden Arrows' Squadron

Next 18 at Hasimara in 101 'Falcons' Squadron

THE PUNCH

- > 4.5-generation omni-role fighter aircraft
- > Can simultaneously perform both air defence & ground attack missions
- > Can deliver nuclear weapons if required

THE WEAPONS

- > 120 to 150 km beyond-visual range Meteor air-to-air missiles (provide clear edge over Pak's F-16s)
- > Over 70-km range MICA air-to-air missiles
- > Over 300-km Scalp air-to-ground cruise missiles

- The first Rafale jet will come with tail number RB 001, with RB denoting the initials of Air Chief Marshal Rakesh Bhadauria who played a key role in striking the deal for the jets in his previous role as IAF deputy chief.
- In September 2019, the IAF had resurrected the 17 Squadron 'Golden arrows' at Air Force station Ambala which will operate the first Rafale squadron while the second squadron would be based at Hasimara in West Bengal.
- France, the manufacturing country of Rafale jets, is battling rising infections and deaths, and continuing lockdown restrictions, due to the COVID-19 pandemic.
- As a consequence, the arrival of the first batch of Rafale fighter jets for the Indian Air Force is likely to be delayed by around three months.
- Due to the lockdown in France, as well as the restrictions on flights and personnel coming from Europe imposed by India, it is expected to be at least July before the arrival of the first aircraft.

3.2 INDIA-US MISSILE DEAL

Why in News: The US Department of State has approved a possible Foreign Military Sale to India of 16 MK 54 all round up lightweight torpedoes and related equipment at an estimated cost of \$63 million.

- In addition, in another deal, the US approved the possible sale to India of ten AGM-84L Harpoon Block II air-launched missiles and related equipment at an estimated cost of \$92 million.
- India plans to use the equipment requested in both the deals on the Indian Navy's Boeing P-8I maritime aircraft.

The P-8I aircraft

- Boeing's P-8s are designed for long-range anti-submarine warfare, anti-surface warfare and intelligence, surveillance and reconnaissance missions.
- The P-8s India version is called the P-8I, and helps the Indian Navy carry out important maritime operations.
- The aircraft has a length of 40 meters, can fly at a speed of 789 km/hour, and can surpass 25,000 flight hours. Due to its capabilities, it gives the Indian Navy a significant edge in the strategically important Indian Ocean.
- India currently has eight of these aircrafts and is scheduled to receive four more by 2022, while one of these is expected to be delivered this year.

MK 54 lightweight torpedo

- Previously, the MK 54 lightweight torpedo was known as the Lightweight Hybrid Torpedo (LHT). It weighs around 608 pounds, while its warhead weighs around 96.8 pounds and is highly explosive.
- These torpedoes are used by US surface ships, fixed-wing aircraft and helicopters and are their primary anti-submarine warfare weapon.
- The primary use of this equipment is for offensive purposes when deployed by anti-submarine warfare aircraft and helicopters.
- It is used for defensive purposes when deployed by ships and against fast, deep-diving nuclear submarines and slow-moving, quiet, diesel-electric submarines.

AGM-84L Harpoon Block II air-launched missiles

- The Harpoon was first deployed in 1977 and is being used by Armed forces in over 30 countries across the world.
- It is an all-weather, over-the-horizon, anti-ship missile system and uses GPS-aided inertial navigation to hit the designated target.

- Its warhead weighs over 500 pounds and is capable of delivering lethal firepower against targets, including land-based targets, coastal defence sites, surface-to-air missile sites, exposed aircraft and industrial or port facilities.



ECONOMY

❖ Paper III: The articles in this section are relevant to the following topics:

- Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.
- Inclusive growth and issues arising from it.
- Government Budgeting.
- Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.
- Infrastructure: Energy, Ports, Roads, Airports, Railways etc.
- Investment models.



KAVISH IAS
Converting Possibilities into Reality

4.1 UNCTAD

Why in News: According to the latest United Nations trade report, the world economy will go into recession due to the coronavirus pandemic, with the exception of India and China.

- **The United Nations Conference on Trade and Development (UNCTAD), the UN trade and development body, has released its latest report titled "The Covid-19 Shock to Developing Countries".**
- As per the report, the world economy will go into recession this year with a predicted loss of trillions of dollars of global income due to the coronavirus pandemic.
- UNCTAD noted that the speed at which the economic shockwaves from the pandemic has hit developing countries is dramatic, even in comparison to the 2008 global financial crisis.

Concern for developing countries

- The Covid-19 related economic recession spells serious trouble for developing countries with the likely exception of India and China.
- This means two-thirds of the world's population living in developing countries are facing unprecedented economic damage from the Covid-19 crisis.
- In two months since the virus began spreading beyond China, developing countries have taken an enormous hit in terms of:
 - Capital outflows
 - Growing bond spreads
 - Currency depreciations
 - Lost export earnings, including from falling commodity prices and declining tourist revenues

As the developing countries lack the monetary, fiscal and administrative capacity to respond to this crisis, the consequences of a combined health pandemic and a global recession could be catastrophic for them and halt their progress towards the Sustainable Development Goals (SDGs).

The report calls for help to developing nations:

- To counter this, the UN is calling for a USD 2.5 trillion rescue package for these nations.
- If G20 leaders are to stick to their commitment of 'a global response in the spirit of solidarity,' there must be commensurate action for the six billion people living outside the core G20 economies.

UNCTAD's four-pronged strategy

UNCTAD proposes a four-pronged strategy that could begin to translate expressions of international solidarity into concrete action.

This includes:

- A USD 1 trillion liquidity injection for those being left behind through reallocating existing special drawing rights (SDRs) at the IMF.
- A debt jubilee for distressed economies - One trillion dollars of debts owed by developing countries should be cancelled this year, overseen by an independently created body.
- 500 billion dollars Marshall Plan for a health recovery funded from some of the missing official development assistance (ODA) long promised but not delivered by development partners.
- Capital controls should be given their legitimate place in any policy regime to curtail the surge in capital outflows, to reduce illiquidity driven by sell-offs in developing country markets and to arrest declines in currency and asset prices.

UNCTAD

- UNCTAD was established by the United Nations General Assembly in 1964, as a permanent intergovernmental body.
- With a permanent secretariat in Geneva, the UNCTAD reports to the UN General Assembly and United Nations Economic and Social Council.
- The creation of UNCTAD was based on concerns of developing countries over the international market, multi-national corporations, and great disparity between developed nations and developing nations.
- It was established to provide a forum where the developing countries could discuss the problems relating to their economic development.
- The primary objective of UNCTAD is to formulate policies relating to all aspects of development including trade, aid, transport, finance and technology.

4.2 WAYS AND MEANS ADVANCES (RBI)

Why in News: In a bid to deal with the economic fallout of the coronavirus pandemic, Reserve Bank of India (RBI) has announced new measures, including extension of the realisation period of export proceeds and increasing the Ways and Means Advances (WMA) limit for state governments and Union Territories by 30 per cent till September 30.

Ways and Means Advances (WMA)

- The Reserve Bank of India (RBI) gives temporary loan facilities to the central and state governments. This loan facility is called Ways and Means Advances (WMA).
- The Ways and Means Advances scheme was introduced in 1997 to meet mismatches in the receipts and payments of the government.
- Under this scheme, a government can avail itself of immediate cash from the RBI as a loan at the existing repo rate. However, the loan repayment has to be done within 90 days.
- If the WMA exceeds 90 days, it would be treated as an overdraft (interest rate on overdrafts is 2 percentage points more than the repo rate).

WMA limit


- The limits for Ways and Means Advances are decided by the government and RBI mutually and revised periodically.
- For the second half of the 2019-20 financial year, RBI set Rs 35,000 crore as limit for Ways and Means Advances.

Types of WMA

- There are two types of Ways and Means Advances:
- Normal
- Special
- Special WMA: The Special WMA or Special Drawing Facility is provided against the collateral of the government securities held by the state. After the state has exhausted the limit of SDF, it gets normal WMA. The interest rate for SDF is one percentage point less than the repo rate.
- Normal WMA: The number of loans under normal WMA is based on a three-year average of actual revenue and capital expenditure of the state.

RBI RELIEF MEASURES

- Ways and Means Advances (WMA) limit for states, UTs increased to 30%
- The move will help states to rely less on the bond markets
- Exporters can now repatriate their proceeds in 15 months, against 9 months earlier
- Banks don't need to activate countercyclical capital buffers



Update

Realisation period of export proceeds

- Present Provision: The value of the goods or software exports made by exporters is required to be realised fully and repatriated to the country within nine months from the date of exports.
- New Provision: The time period for realisation and repatriation of export proceeds for exports made up to or on July 31, 2020, has been extended to 15 months from the date of export,

Significance of the move

- The measure will enable exporters to realise their receipts, especially from COVID-19 affected countries, within the extended period.
- It will also provide greater flexibility to exporters to negotiate future export contracts with buyers abroad.

Increase in Ways and Means limit

- The central bank has increased the ways and means advances limit by 30% from the existing limit for all States and union territories.
- The Central government has increased the ceiling on its WMA facility 60 per cent.
- The revised limits will come into force with effect from April 1, 2020 and will be valid till September 30, 2020.
- Note: The hike in WMA limit is pending submission of the final recommendation of an Advisory Committee, headed by Sudhir Shrivastava, set up by the RBI to review the WMA limits for state governments and Union Territories.

Deferred the implementation of counter cyclical capital buffer (CCyB)

The central bank has also deferred the implementation of counter cyclical capital buffer (CCyB) for banks for one more year. This means banks can utilise the capital earmarked for the buffer.

Counter Cyclical Capital buffer

- Counter Cyclical Capital buffer is aimed at protecting the banking sector against losses from changes in economic conditions.
- It is the capital to be kept by a bank to meet business cycle related risks
- It requires banks to build up a buffer of capital in good times, which may be used to maintain flow of credit to the real sector in difficult times. This is an important theme of the Basel III norms.

- The buffer was also meant to restrict the banking sector from indiscriminate lending in the periods of excess credit growth, which have often been associated with the building up of system-wide risk.

4.3 WORLD BANK ASSISTANCE

Why in News: The World Bank has fast-tracked a \$1 billion assistance for India which will help the country to bolster its fight against the Covid-19 pandemic and shore up medical infrastructure. This is the largest ever health sector support from the Bank to India.

World Bank Group

- The World Bank Group is one of the world's largest sources of funding and knowledge for developing countries.
- Its five institutions share a commitment to reducing poverty, increasing shared prosperity, and promoting sustainable development.

The Five institutions include:

- IBRD
- IDA
- IFC
- MIGA
- ICSID

World Bank

- The World Bank is an international organization that helps emerging market countries to reduce poverty.
- The World Bank consists of two organizations:
- **International Bank for Reconstruction and Development (IBRD):** It provides loans, credit, and grants.
- **International Development Association (IDA):** It provides low- or no-interest loans to low-income countries

Mission

- **To end extreme poverty:** By reducing the share of the global population that lives in extreme poverty to 3 percent by 2030.
- **To promote shared prosperity:** By increasing the incomes of the poorest 40 percent of people in every country.

The World Bank works closely with three other organizations in the World Bank Group

- **The International Finance Corporation (IFC):** It provides investment, advice, and asset management to companies and governments.
- **The Multilateral Investment Guarantee Agency (MIGA):** It insures lenders and investors against political risk such as war.
- **The International Centre for the Settlement of Investment Disputes (ICSID):** It settles investment disputes between investors and countries

The Bank performs the following functions

- To assist in the construction and development of the territories of its members by facilitating investment of capital for productive purposes.
- To promote private investment and long run balanced growth of international trade and BOP equilibrium by means of guarantees or participation in international loans and investments.
- To arrange loans made or guaranteed by it. so that more useful and urgent projects receive preference.
- To provide finance to projects from its own capital, funds raised by it and by participating with other members.
- The Bank provides advice and expertise.
- It now puts more emphasis on institutional technical assistance and infrastructure assistance. Over the years, it has been able to generate and disseminate policy relevant knowledge. Thus, this organization is now called the 'knowledge bank'.

History of the World Bank

- The World Bank (WB) was originally created as the International Bank for Reconstruction and Development (IBRD) in 1944 along with its twin, the IMF.
- Together they came to be known as the 'Bretton Woods' twin sisters'.
- When it was set up it was decided that this international bank would assist in the economic reconstruction of the World War II-damaged European economies.
- In early 1946 this international bank launched its carrier as the multilateral development bank and since then the IBRD came to be known as the World Bank.
- Its headquarters is located in Washington DC, United States.

World Bank's India Covid-19 Emergency Response and Health Systems Preparedness Project

- The Project will help India prevent, detect, and respond to the COVID-19 pandemic and strengthen its public health preparedness.
- This new support will cover all states and union territories and address the needs of infected people, at-risk populations, medical and emergency personnel and service providers, medical and testing facilities, and national and animal health agencies.
- The project will immediately enable the government to scale-up efforts to limit human-to-human transmission, including reducing local transmission of cases and containing the epidemic from progressing further.
- Also, interventions to strengthen the health system will be rolled out to improve the country's capacity to respond to the COVID-19 epidemic and be better prepared to respond to emerging disease outbreaks, including transmission between humans and animals.

4.4 MSME

Why in News: MSME sector in stress due to nationwide lockdown.

India's Micro, Small and Medium Enterprises (MSMEs)

- A large fraction of India's firms are small, informal and operate in the unorganized sector.
- Over 97% of Micro, Small and Medium Enterprises (MSMEs) in India can be classified as micro firms (with an investment in plant and machinery less than Rs 25 lakh), and 94% are unregistered with the government.
- These MSMEs are uniformly spread across rural and urban areas and are equally represented in the manufacturing, trade and services sectors.

Significance of MSMEs

- Recent annual reports on MSMEs indicate that the sector contributes to around 30% of India's GDP, and employs more than 50% of industrial workers.
- Two thirds of MSMEs are operated by socially vulnerable groups (Scheduled Caste/Scheduled Tribe/Other Backward Classes) and 20% by women.

MSMEs impacted by Covid-19

The current coronavirus pandemic (Covid-19) lockdown will substantially disrupt the operations of these MSMEs due to various factors, including:

- Their dependence on the cash-economy that is severely hit by the lockdown
- The physical non-availability of workers
- Restrictions in the availability of raw materials and transport infrastructure

Government needs to help them

This will have substantial ramifications throughout the economy and therefore, a robust policy response is essential.

How are other countries helping their businesses?

- In this context, it would be useful to examine the policy response of other countries in protecting their industries during the pandemic.
- From the IMF's policy tracker (that tracks key economic responses to the Covid-19 pandemic across 192 economies), these policy responses can be broadly categorized into:
- Loan guarantees and immediate liquidity provision
- Loan extensions and penalty waivers on repayment delays
- Interest rate reductions on future loans

India's policy responses to this crisis

- In line with the global response, the Government of India:
- Slashed interest rates
- Increased limits on Non-Performing Assets (NPAs) to prevent triggering insolvency
- Offered payments from the government's share of Employee Provident Fund (EPF) to avoid layoffs
- Several leading banks have announced special purpose loans at reduced rates for up to 10-20% of the firms' working capital limit.

These responses are not useful for MSMEs

- While these policy measures are encouraging, they are biased towards the larger, and more formal/organised firms.
- These measures are inadequate for the smaller, informal/unorganised firms, which form an overwhelming majority of India's industrial landscape.

- According to the Economic Census data, over 95% of firms (over 55 million firms) employed fewer than five workers, and 94% were not registered with the government.
- Thus, it is unlikely that these small firms contribute to EPF and may not benefit from the Government's contribution to EPFO.
- Cheaper credit has also limited use: Additionally, more than 81% MSMEs are self-financed with only around 7% borrowing from formal institutions and government sources (Economic Census, 2013). Credit market interventions (cheaper loans, increased limits on NPAs) therefore may not benefit this sector directly.

What can be done to help MSME

- Direct measures to boost liquidity will be of great help to MSMEs.
- Other sectors of the economy and in particular, seasonal migration and agriculture are severely hit by the lockdown. In such situation, allowing micro enterprises to operate smoothly could substantially help households cope with this economic shock.
- Since most MSMEs primarily operate on cash, they require immediate liquidity to cope with adverse events. An example in this regard is the initiative of the Confederation of Indian Industries (CII) that sets up a fund targeted directly at easing the liquidity constraints of MSMEs.

Supply-side interventions to help MSMEs:

- MSMEs are spatially concentrated, with Uttar Pradesh and West Bengal accounting for around 30% of MSMEs and ten states accounting for around 75% of MSMEs.
- A joint effort from both the state and central government therefore, is critical.
- Supply-side interventions, in particular strengthening supply chains for MSMEs, can also help them weather the storm.
- Ensuring that the MSME sector has access to raw materials and robust downstream supply chains would:
- Help mitigate production shortages in the health and the essential goods sector.
- Given its size, it would also potentially slowdown the adverse impact on the Indian economy as a whole

Enable government procurement from them

The Government of India has already appealed to MSMEs producing medical and other essential products to register and sell in the Government's e-marketplace. This should be expanded to other sectors as well with co-ordination across different states to meet local supply and demand requirements.

Conclusion

- The Indian policymakers are facing the tough task of containing a public health pandemic as well as formulating swift policies to protect the most vulnerable from its adverse economic effect.
- In this regard, a committed response to support the MSMEs is essential, imminent and key to easing the impact of the crisis for these entrepreneurs, their employees and the Indian economy as a whole.

4.5 INTERNATIONAL LABOUR ORGANISATION REPORT ON COVID-19

Why in News: International Labour Organisation (ILO) has published a new report “ILO Monitor 2nd edition: COVID-19 and the world of work” which estimates and analyses the catastrophic effect of Covid-19 on working hours and earnings, globally.

The report has updated an ILO research note published earlier on 18 March. The updated version includes sectoral and regional information on the effects of the pandemic and outlines policies to mitigate the crisis.

ILO Monitor 2nd edition: COVID-19 and the world of work

- The report describes COVID-19 as “the worst global crisis since World War II”.
- Workers and businesses are facing catastrophe, in both developed and developing economies.
- Sharp and unforeseen reductions in economic activity are causing a dramatic decline in employment, both in terms of numbers of jobs and aggregate hours of work.
- Full or partial lockdown measures are now affecting almost 2.7 billion workers, representing around 81 per cent of the world’s workforce.
- Countries experiencing fragility, protracted conflict, recurrent natural disasters or forced displacement will face a multiple burden due to the pandemic.

Impact of the Covid-19 worldwide

Reduced working hours

- The ILO’s new global estimates indicate that working hours will decline by 6.7 per cent in the second quarter of 2020, which is equivalent to 195 million full-time workers (assuming a 48-hour working week).

- This implies that many of these workers will face a loss of income and deeper poverty, even if substitute activities can be found (e.g. returning to agriculture in rural areas).
- The largest decline is expected in upper-middle-income countries, but the impact is comparable across all income groups.
- Large reductions are foreseen in the Arab States (8.1%, equivalent to 5 million full-time workers), Europe (7.8%, or 12 million full-time workers) and Asia and the Pacific (7.2%, 125 million full-time workers).

Employment Impact

- Worldwide, two billion people work in the informal sector (mostly in emerging and developing economies) and are particularly at risk.
- The COVID-19 crisis is already affecting tens of millions of informal workers.
- Lower and middle income countries may face a bigger challenge than the developed world in tackling job losses.

Economic Impact

Huge losses are expected across different income groups but especially in upper-middle income countries (7 per cent, 100 million full-time workers). This far exceeds the effects of the 2008-9 financial crisis.

Work at risk

Through the massive economic disruption and impact on working hours, the COVID-19 crisis is affecting the world's workforce of 3.3 billion.

Sectors at risk

Key sectors at risk include retail trade, accommodation and food services, manufacturing and administrative activities.

India Specific data

- As per ILO, India is among the countries less equipped to handle the situation.
- In India, with a share of almost 90% of people working in the informal economy, about 400 million workers in the informal economy are at risk of falling deeper into poverty during the crisis.
- Note: Economists and workers' groups have warned that things may worsen in rural India due to reverse migration, while in urban pockets employment may not pick up due to low demand.

Policy Response suggestions by ILO

The ILO stressed the following messages, which continue to be relevant at this stage of the crisis. International Labour Standards provide a strong foundation for key policy responses. Policy responses should focus on two immediate goals:

- Health protection measures and
- Economic support on both the demand and supply sides.

Large-scale and integrated measures across all policy areas are necessary to make strong and sustained impacts. Building confidence through trust and dialogue is crucial in making policy measures effective. This includes leveraging social dialogue to fine tune policy packages so that they best serve those most in need.

Policy responses need to consider four pillars

- **Pillar 1: Stimulating the economy and employment**
 - **Pillar 2: Supporting enterprises, jobs and incomes**
 - **Pillar 3: Protecting workers in the workplace**
 - **Pillar 4: Relying on social dialogue for solutions**
-
- Immediate support for most-affected sectors and population groups, particularly for enterprises and workers operating in the informal economy. Specific and targeted measures are needed in countries with high levels of informality, including cash transfers to support those who are most affected by the lockdown and repurposing production to provide alternative employment (e.g. for PPE kits).
 - This needs to be supplemented by efforts to ensure adequate supply of food and other essentials. Local, community-based initiatives can work quickly and cater for specific needs, and should include representative organizations of those in the informal economy.
 - Along with supporting those in the informal economy, efforts are needed to support formal workers and enterprises to ensure that they do not fall back into informality as a result of the crisis and erode gains made in recent years.
 - It is critical to ensure that public resources will be used to support employment and income for workers. Therefore, financial and non-financial support can be strategically provided to encourage enterprises to retain and/or create jobs. The relevant mix of economy-wide and targeted measures needs to consider national circumstances, including the structure of the economy, existing inequality trends, and labour market institutions that can best deliver policies.



Countries need to find the resources to allow the introduction of direct fiscal stimulus measures to support enterprises and incomes the crisis through policy coherence and whole-of-government approach.

Conclusion

The eventual increase in global unemployment during 2020 will depend substantially on future developments and policy measures. There is a high risk that the end-of-year figure will be significantly higher than the initial ILO projection of 25 million

The choices countries make today will directly affect the way this crisis unfolds and so the lives of billions of people. With the right measures its impact can be limited.

4.6 INDEX OF INDUSTRIAL PRODUCTION (IIP) DATA

Why in News: The data of Index of Industrial Production (IIP) has been released by the National Statistical Office (NSO). India's factory output, as measured by the IIP, accelerated 4.5% in February 2020 in comparison to the previous year.

Index of Industrial Production (IIP)

- The Index of Industrial Production data or IIP is a measure of industrial performance.
- The IIP number measures the industrial production for the period under review, usually a month, as against the reference period.
- There is a lag of six weeks in the publication of the IIP index data after the reference month ends.
- **IIP index is currently calculated using 2011-2012 as the base year.**

Components of IIP

- Mining (weight of 14.4%), manufacturing (weight of 77.6%), and electricity (weight of 8%) are the three broad sectors in which IIP constituents fall.
- Electricity, crude oil, coal, cement, steel, refinery products, natural gas, and fertilizers are the eight core industries that comprise about 40 percent of the weight of items included in the IIP.
- Earlier, the IIP data was compiled and published by Central Statistical Organisation (CSO) every month. However, after CSO merger with NSSO, NSO releases the data.
- Note: In May 2019, the Ministry of Statistics and Program Implementation (MoSPI) merged the Central Statistics Office (CSO) and the National Sample Survey Office (NSSO) into National Statistical Office (NSO).

Importance of Index of Industrial Production

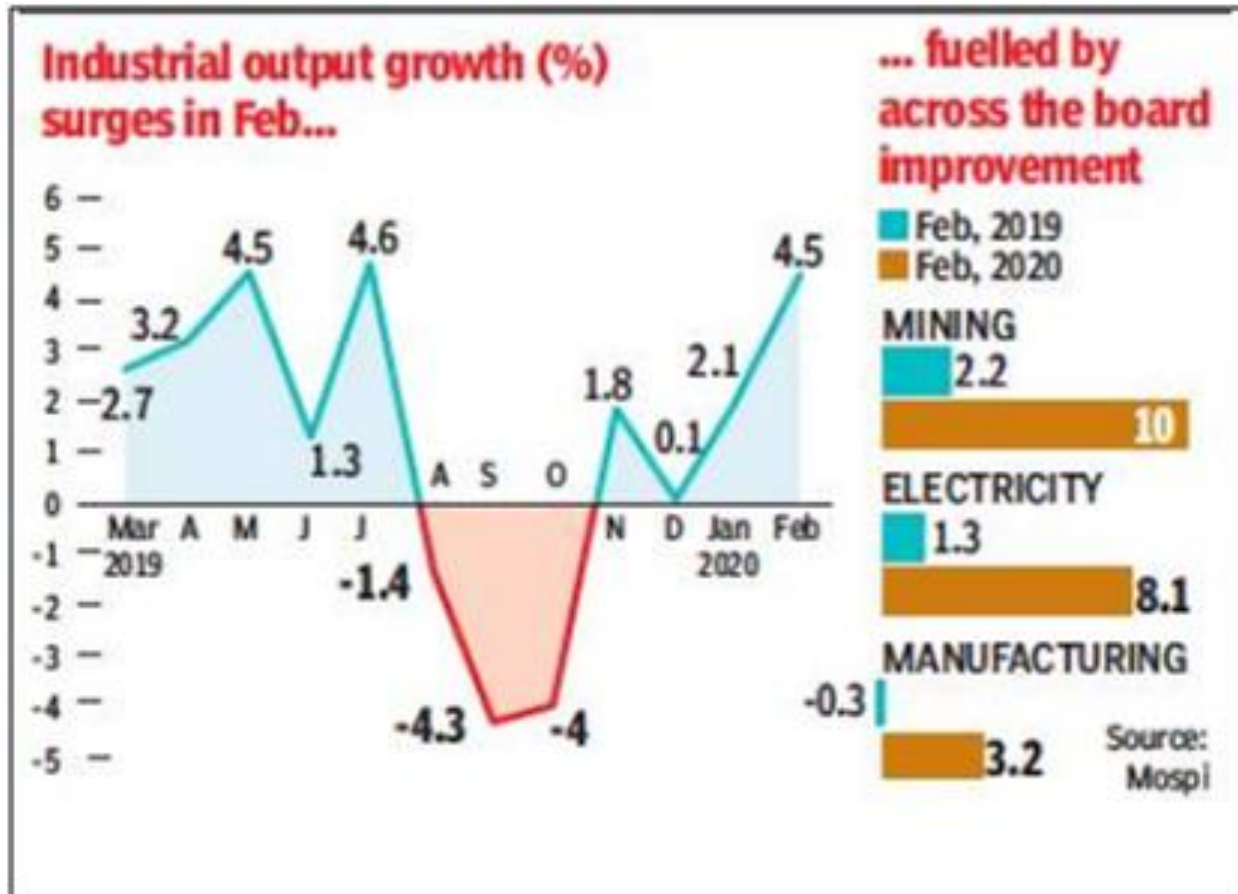
- The IIP is used by public agencies including the Government agencies/ departments including that in the Ministry of Finance, the Reserve Bank of India etc. for policy purposes.
- The all-India IIP data is used for estimation of Gross Value Added (GVA) of manufacturing sector on quarterly basis.
- Similarly, the data is also used extensively by analysts, financial intermediaries and private companies for various purposes.

IIP data for February 2020

Overall data

- Official data showed the index of industrial production (IIP) recorded a 4.5% growth in February 2020 in comparison to the previous year.

- February saw the second straight month of improved industrial output after a contraction in December. January 2020 saw a 2.1% growth (revised numbers).
- The growth in the Index of Industrial Production came on the back of higher output in mining, electricity and manufacturing sectors.
- However, the cumulative growth for the financial year so far, from April to February 2019-20, stands at only 0.9% compared with 4% growth in the year earlier period.



Various components

- The three components of the IIP are mining, manufacturing and electricity.
- Mining sector saw a robust 10% growth in production
- Manufacturing output rose 3.2%
- In terms of industries, 13 out of 23 groups in the manufacturing sector showed positive production growth in February.
- Electricity sector saw 8.1% growth

Use-based items

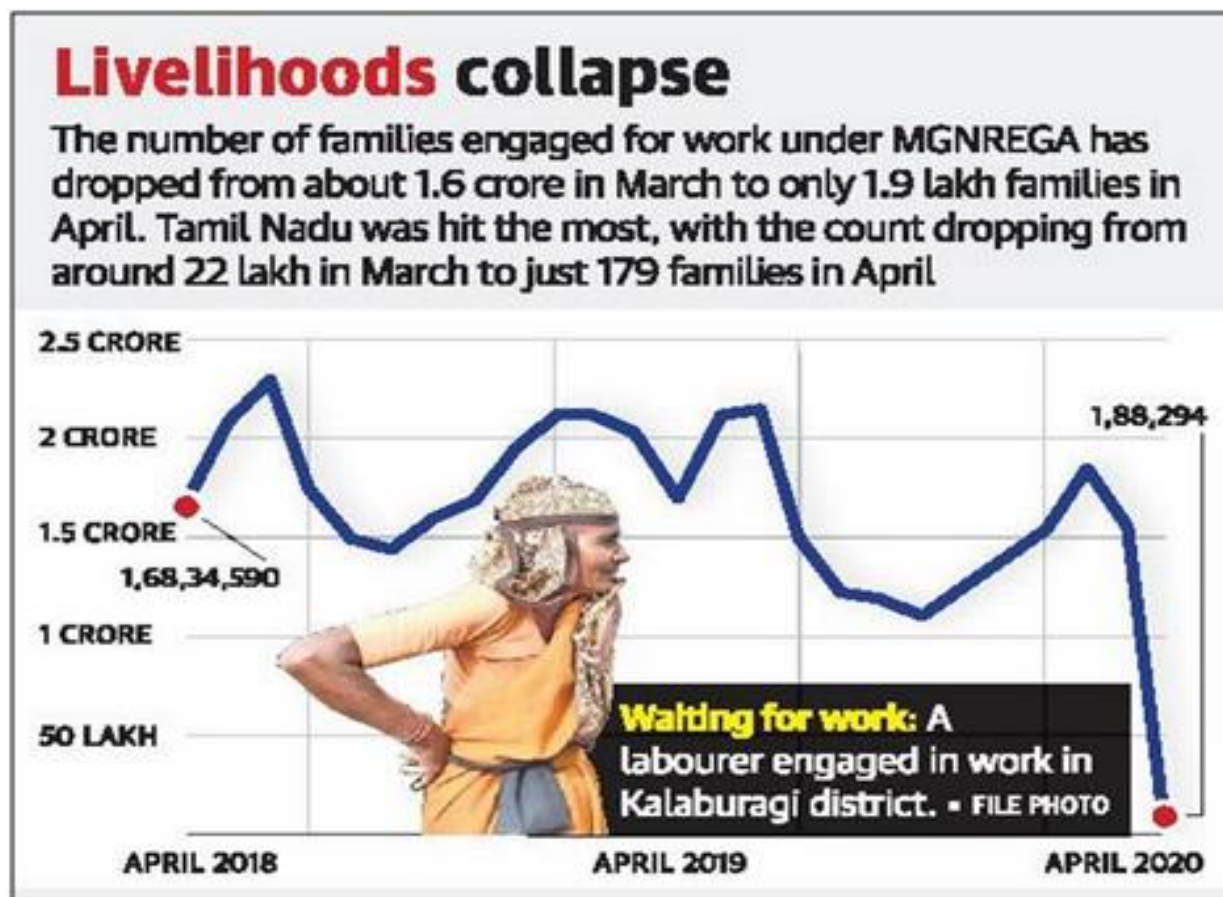
The capital goods and consumer durables sectors contracted during the month, suggesting sluggish investment and consumption demand.

Way ahead

The IIP is likely to plunge drastically again for March, due to the lockdown caused by the COVID-19 pandemic, which has resulted in a halt in most business.

4.7 MGNREGA

- **Why in News:** Data from the MGNREGA website shows that in April 2020, the Employment under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has collapsed to just over 1% of the usual rate due to the COVID-19 lockdown.



MGNREGA

- The Indian Parliament passed the Mahatma Gandhi National Rural Employment Guarantee Act in 2005.
- The mandate of the MGNREGA is to provide at least 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work at an average daily wage of ₹209.
- The scheme is key to providing livelihoods to poor villagers and is a backbone of the rural economy in difficult times.
- It is a demand driven wage employment program and resource transfer from Centre to States is based on the demand for employment in each State.
- Overall, 6 crore families hold active job cards under the scheme, and almost 5.5 crore families found work under the scheme in 2019.

The core objectives of the MGNREGS

- Providing not less than one hundred days of unskilled manual work as a guaranteed employment in a financial year to every household in rural areas as per demand, resulting in creation of productive assets of prescribed quality and durability
- Strengthening the livelihood resource base of the poor
- Proactively ensuring social inclusion
- Strengthening Panchayati Raj Institutions

The goals are:

- Social protection for the most vulnerable people living in rural India by guaranteeing wage employment opportunities.
- Enhance livelihood security of the rural poor through generation of wage employment opportunities in works leading to creation of durable assets.
- Rejuvenate natural resource base of rural areas.
- Create a durable and productive rural asset base.
- Empowerment of the socially disadvantaged, especially, women, Scheduled Castes (SCs) and Scheduled Tribes (STs), through the processes of a rights-based legislation.
- Strengthen decentralized, participatory planning through convergence of various anti-poverty and livelihoods initiatives.
- Deepen democracy at the grassroots by strengthening Panchayati Raj Institutions.

Paradigm shift with the implementation of MGNREGA

- MGNREGA is bottom-up, people-centered, demand-driven, self-selecting and rights-based program.

- It provides a legal guarantee for wage employment by providing allowances and compensation both in cases of failure to provide work on demand and delays in payment of wages for work undertaken.
- Plans and decisions regarding the nature and choice of works to be undertaken, the order in which each worksite selection etc., are all to be made in open assemblies of the Gram Sabha (GS) and ratified by the GP.
- Social audit is a new feature, which creates accountability of performance, especially towards immediate stakeholders.
- Thus, MGNREGA also marks a break from the relief program of the past towards an integrated natural resource management and livelihoods generation perspective.

Latest Update

Crash in employment rate

- According MGNREGA website, the MGNREGA provided work to less than 1.9 lakh families so far in April 2020, while in March it provided work to almost 1.6 crore households and in February to 1.8 crore households before the lockdown began.
- In April, Chhattisgarh was the highest employment generator under the scheme providing work to more than 70,000 families, followed by Andhra Pradesh with more than 53,000 households given work.
- However, these figures are a fraction of the usual employment provided in these States.
- These also raise concerns about COVID-19 infection being spread at worksites.

States to implement scheme with social distancing

Under the lockdown, no exceptions from restrictions were provided for the MGNREGA, although States were asked to continue implementing the scheme while following social distancing guidelines.

PIL in the Supreme Court

- A Public Interest Litigation (PIL) petition has been filed by some activists in the Supreme Court demanding that the government pay full wages to all active job card holders during this time, following its own instructions issued to other employers.
- However, on 8th April, Supreme Court has directed in an interim order that the matter be listed after two weeks.

4.8 IMF FORECAST ON WORLD ECONOMY

Why in News: The International Monetary Fund (IMF) has recently released its World Economic Outlook report. The report has predicted that the global economy would shrink by 3% in 2020 amid the global coronavirus pandemic.

Report Summary

- The International Monetary Fund (IMF) report has slashed its FY21 growth projection for India to 1.9% from 5.8% projected in January 2020 because of isolation, lockdowns and widespread closures to contain the virus hit the economy.
- The report expects that the 'Great Lockdown' to combat the covid-19 outbreak will throw the world economy into the worst recession since the Great Depression in 1930s.
- IMF has forecasted the growth to recover next year under the assumption that the pandemic subsides in the second half of 2020 and containment efforts are gradually unwound.

Findings of IMF for World

Assumptions taken by IMF

- The pandemic and required containment peaks in the second quarter for most countries in the world, and recedes in the second half of 2020.
- Policy actions taken around the world are effective in preventing widespread firm bankruptcies, extended job losses, and system-wide financial strains.

Growth Forecast

- **For 2020:** The IMF report has projected global growth in 2020 to fall to -3 percent. This is a downgrade of 6.3 percentage points from January 2020, a major revision over a very short period.
- **For 2021:** The IMF has projected global growth in 2021 to rebound to 5.8 percent.

Growth forecasts for advanced economies

- For 2020, growth in advanced economies is projected at -6.1 percent.
- Advanced economies (especially those experiencing widespread outbreaks and deploying containment measures) will contract this year, including the U.S. (minus 5.9%), Japan (minus 5.2%), U.K. (minus 6.5%), Germany (minus 7%), France (minus 7.2%), Italy (minus 9.1%) and Spain (minus 8%).
- The Eurozone's growth forecast was also reduced to minus 7.5% for 2020, while the economy in the bloc is expected to expand by 1.4% next year.

Growth forecast for emerging markets and developing economies

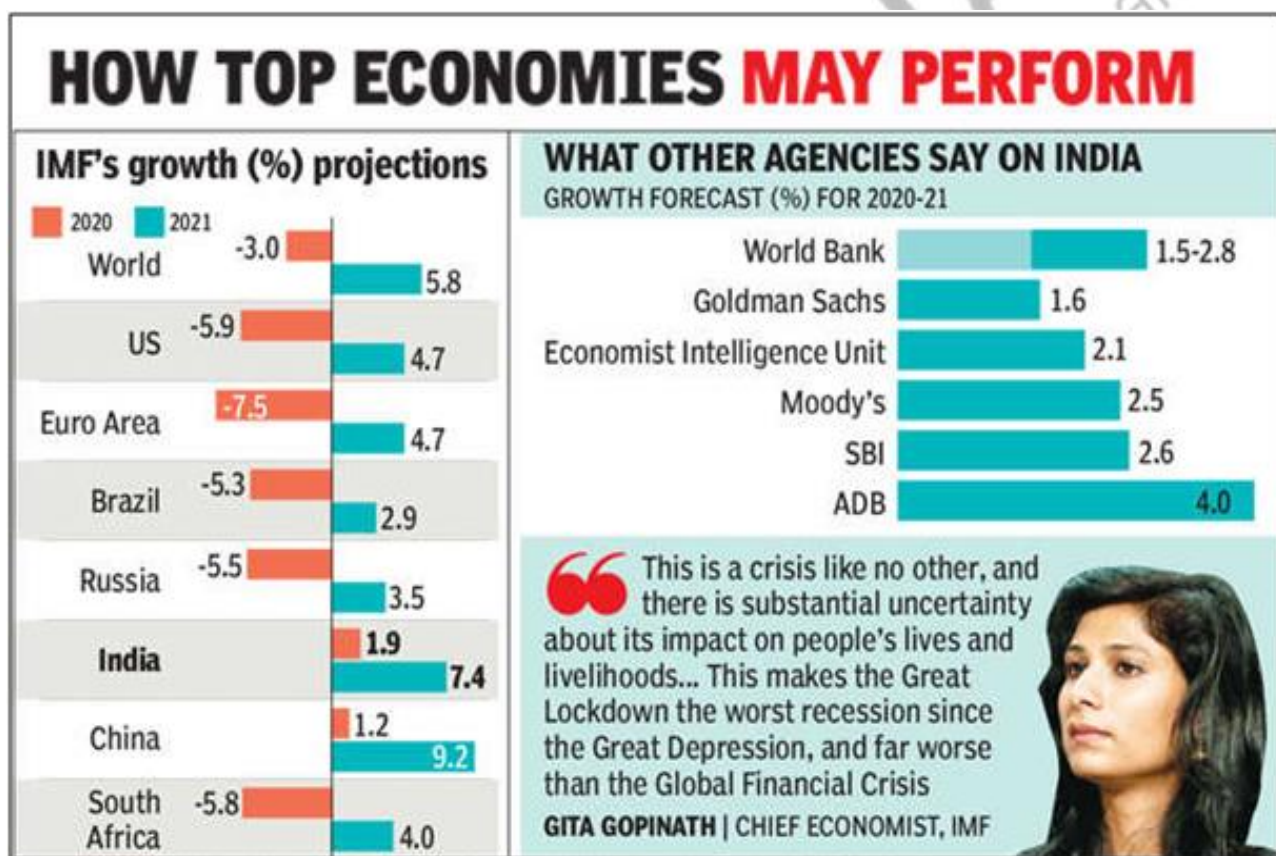
All countries in this group face a health crisis, severe external demand shock, dramatic tightening in global financial conditions and a plunge in commodity prices.

For 2020

For Emerging market and developing economies with normal growth levels well above advanced economies are also projected to have negative growth rates of -1.0 percent in 2020, and -2.2 percent respectively excluding China.

For 2021

Growth among emerging markets and developing economies is projected to rebound to 6.6% in 2021.

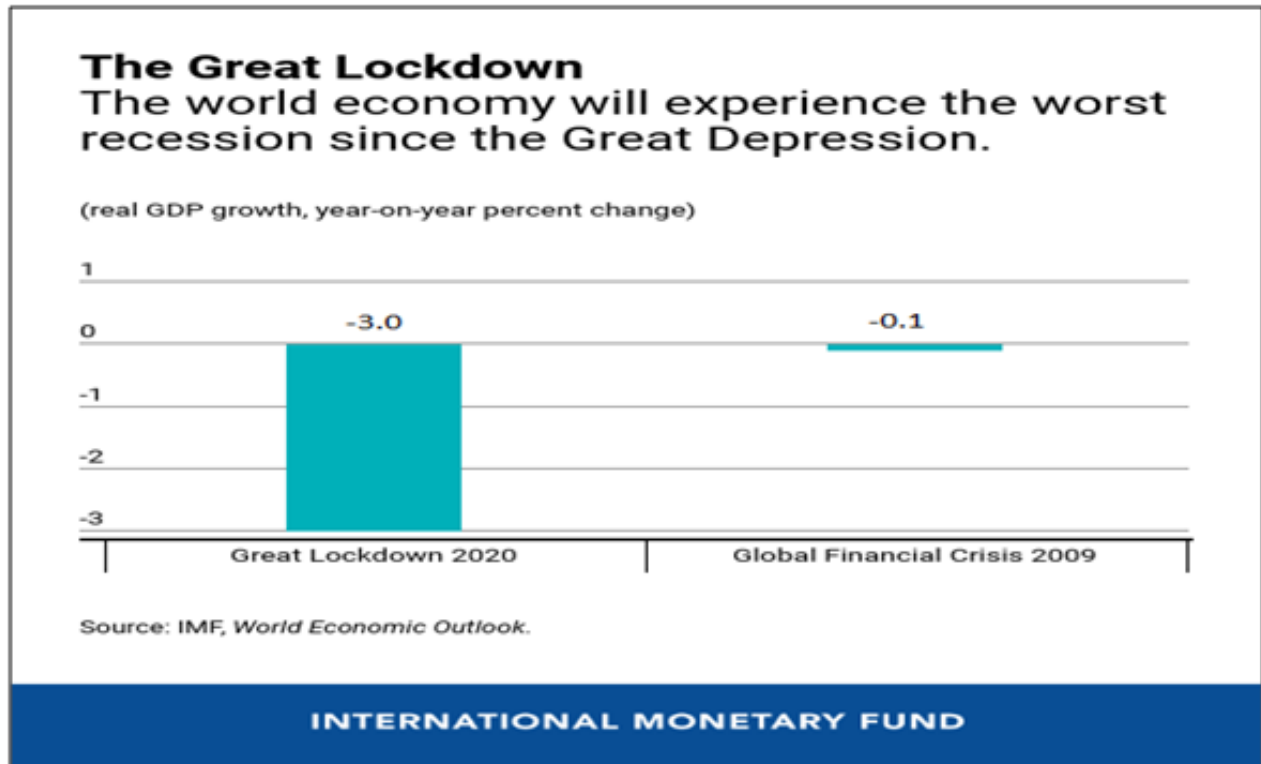


Worst Recession since Global Depression

This is the first time since the Great Depression, both advanced economies and emerging market and developing economies are in recession.

Global GDP Loss

The cumulative loss to global GDP over 2020 and 2021 from the pandemic crisis could be around 9 trillion dollars, greater than the economies of Japan and Germany, combined.



Shrink in per capita Income

Income per capita is projected to shrink for over 170 countries.

Partial recovery in 2021

Both advanced economies and emerging market and developing economies are expected to partially recover in 2021.

Alternative adverse scenarios

Given the extreme uncertainty around the duration and intensity of the health crisis, IMF has also made alternative predictions for more adverse scenarios.

Assumption

The pandemic may not recede in the second half of this year, leading to longer durations of containment, worsening financial conditions, and further breakdowns of global supply chains.

Global GDP in worst scenario

- **For 2020:** In such cases, global GDP would fall even further: an additional 3 percent in 2020 if the pandemic is more protracted this year.
- **For 2021:** If the pandemic continues into 2021, it may fall next year by an additional 8 percent compared to IMF's baseline scenario.

IMF's Findings for India

- The coronavirus pandemic came at a time when India's economy was already slowing, due to persistent financial sector weaknesses.
- The demand and supply shocks have caused severe disruption of economic activities which has in turn overtaken the incipient recovery in the Indian economy leading to massive job losses.

Prediction for 2020-21

- India's economy is forecast to grow by 1.9% in 2020-21 due to the devastating impact of the Covid-19 outbreak.
- The IMF's estimate for India is in line with forecasts by other economists and investment banks, Goldman Sachs estimates growth to slow to over 30-year lows of 1.6% in 2020-21, while the World Bank expects GDP growth in India to be in the 1.5% to 2.8% range, depending on extent of the pandemic.
- The latest IMF forecast puts India as one of the fastest growing major economies even in the midst of the Covid-19 devastation, although it will be the slowest pace of expansion since the 1991 balance of payments crisis.

Prediction for 2021-22

- The Indian economy is projected to expand at 7.4% next fiscal as the impact of the Covid-19 outbreak is contained.

Policy actions suggested by the IMF report

- Many countries faced a multi-layered crisis comprising of health shocks, domestic economic disruptions, plummeting external demand, capital flow reversals and a collapse in commodity prices.

- The report also highlighted the importance of effective policies to forestall worse outcomes. Though this would take a short-term toll on economic activity, it would be an important investment in long-term human and economic health.
- Countries should continue to spend generously on their health systems, perform widespread testing, and refrain from trade restrictions on medical supplies.
- A global effort must ensure that when therapies and vaccines are developed both rich and poor nations alike have immediate access.
- While the economy is shut down, policymakers will need to ensure that people are able to meet their needs and that businesses can pick up once the acute phases of the pandemic pass.
- The large, timely, and targeted, fiscal, monetary, and financial policies already taken by many policymakers have been lifelines to households and businesses. This support should continue throughout the containment phase to minimize persistent scars that could emerge from subdued investment and job losses in this severe downturn.
- As containment measures come off, policies should shift swiftly to supporting demand, incentivizing firm hiring, and repairing balance sheets in the private and public sector to aid the recovery.
- Fiscal stimulus that is coordinated across countries with fiscal space will magnify the benefit for all economies.
- Strong multilateral cooperation will be essential to overcome the effects of the pandemic, including helping financially constrained countries facing twin health and funding shocks and for channeling aid to nations with weak health care systems.
- The report called on countries urgently to work together to slow the spread of the virus and develop a vaccine and therapies to counter the disease.

4.9 EXTRADITION

- **Why in News:** Vijay Mallya has lost his appeal against extradition in the London high court and could be extradited to India soon.

Extradition

- Extradition is a process where one governmental authority formally returns an alleged criminal to another governmental authority for prosecution for a criminal charge.
- It is initiated when a person commits a crime in country and flees to another country.

Extradition treaties & arrangements

- In India, the extradition of a fugitive from India to a foreign country or vice-versa is governed by the provisions of Indian Extradition Act, 1962.
- To ensure extradition, extradition treaties exist between nations. India currently (as of June 2018) has extradition treaties with 48 countries. The U.K. is among them.

Background

- The allegations against Mallya are that when he was CEO and chairman of Kingfisher Airlines, he conspired with individuals to obtain loans from Indian banks in 2009 based on false representations, defaulted on the loans and diverted and disbursed some of the funds.
- As a result, Mallya and his firm – Kingfisher Airlines Ltd, came under the scanner of the Enforcement Directorate (ED), Central Bureau of Investigation (CBI), Serious Fraud Investigation Office (SFIO) and the Securities and Exchange Board of India (Sebi) for loan defaults of over Rs 10,000 crore to a consortium of Indian banks led by the State Bank of India (SBI).
- Mallya is facing charges of cheating, criminal conspiracy, money laundering and diversion of loan funds.
- ED has charged Mallya under sections 3 and 4 of the Prevention of Money Laundering Act (PMLA).
- The CBI has charged Mallya under section 120B (criminal conspiracy), 420 (cheating) and under sections 13 (1) (d) and 13 (2) of the Prevention of Corruption Act.
- However, Mallya left the country for London in 2016, and refused to return to face proceedings against him.
- After Mallya left India, several non bailable warrants were issued against him, who was declared a 'proclaimed offender' and an 'absconder' by the special Prevention of Money Laundering Act (PMLA) court.
- In 2019, the Special court on prevention of Money laundering has declared Mr. Mallya as a fugitive economic offender, under Fugitive Economic Offenders Act, 2018 ("FEOA").
- FEOA was brought in to provide for measures to deter fugitive economic offenders from evading the process of law in India by staying outside the jurisdiction of Indian Courts.

Latest Development

- The Royal Courts of Justice in London (High Court) judges agreed with the earlier district judge that there was a prima facie case of fraud against Mallya by false representation and of conspiracy to defraud. Thus there is also a prima facie case of money laundering.
- The judges found that the three IDBI loans taken in the name of Kingfisher airlines were disbursed as the result of a conspiracy, despite the Airline's weak financials, negative net worth and low credit rating, and despite not meeting IDBI's corporate loans policy.

- They found that Mallya made false representations, exaggerated brand value of his airline and misleading forecasts, and that his dishonest intention not to repay the loans was shown by his later conduct.

Way ahead

- Mallya now has 14 days to apply to the UK High Court for permission for an application to certify that a point of law of general public importance has been overlooked by both the magistrate court and the high court.
- If the High Court gives such permission, he can then appeal against the extradition order in the UK Supreme Court.
- In case the High Court refuses the permission, Mallya will not be able to appeal in the Supreme Court.
- In such a situation, his case will go to the UK Secretary of State for the Home Department for a final decision on extradition.
- If the Secretary of State for the Home Department gives her consent, Mallya can be extradited to India.

4.10 ASIAN DEVELOPMENT BANK

Why in News: The Government of India has taken a \$1.5 billion loan from the Asian Development Bank (ADB) to fund its immediate response to the corona virus (COVID-19) pandemic. Indonesia and Philippines also received \$1.5 billion each as loan. The financing will assist the governments in their efforts to alleviate the impact of the novel corona virus disease (COVID-19) pandemic on public health, livelihoods, and the economy.

Asian Development Bank

- The Asian Development Bank (ADB) is a regional development bank established in 1966.
- The Asian Development Bank (ADB) is headquartered in Manila, Philippines.
- The ADB was modeled closely on the World Bank, and has a similar weighted voting system where votes are distributed in proportion with members' capital subscriptions.
 - **As of 31 December 2018, ADB's five largest shareholders are:**
 - **Japan and the United States (each with 15.6% of total shares)**
 - **China (6.4%)**
 - **India (6.3%)**
 - **Australia (5.8%)**

Organization

- The highest policy-making body of the bank is the Board of Governors, composed of one representative from each member state.
- The Board of Governors also elects the bank's president, who is the chairperson of the Board of Directors and manages ADB. The president has a term of office lasting five years, and may be reelected.
- Traditionally, and because Japan is one of the largest shareholders of the bank, the president has always been Japanese.

Mission

- The Asian Development Bank (ADB) envisions a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty in the region.
- Its primary mission is to foster growth and cooperation among countries in the Asia-Pacific Region.

Funding

- The ADB raises capital through the international bond markets.
- It also relies on member contributions, retained earnings from lending, and the repayment of loans for funding of the organization.

Member Nations

- Although the majority of the Bank's members are from the Asia-Pacific region, the industrialized nations are also well-represented.
- From 31 members at its establishment in 1966, ADB has grown to encompass 68 members—of which 49 are from within Asia and the Pacific and 19 outside.
- The founding members include Japan, US, India and UK.

Assistance

- ADB assists its members, and partners, by providing loans, technical assistance, grants, and equity investments to promote social and economic development.
- A major landmark was the establishment in 1974 of the Asian Development Fund to provide low-interest loans to ADB's poorest members. With this, the two main lending operations of ADB were:
 - Ordinary Capital Resources (OCR)

- Asian Development Fund (ADF)

Latest Development

- The Government of India has taken a \$1.5 billion loan from the Asian Development Bank (ADB) to fund its immediate response to the corona virus (COVID-19) pandemic.
- The loan, approved by the ADB under its COVID-19 Active Response and Expenditure Support (CARES) Program, is the bank's largest ever to India.
- The ADB is also in talks with the government to fund further economic stimulus measures.
- The funding is aimed at helping India in its efforts to alleviate the impact of the novel corona virus disease (COVID-19) pandemic on public health, livelihoods, and the economy.
- The money, translating to more than Rs 11,000 crore, will be spent to implement the containment plan and rapidly ramp up test-track-treatment capacity.
- It will also be used to provide social protection for 80 crore poor people over the next three months.

Further support expected

- The ADB also expressed its willingness to support short- to medium-term measures to restore the dynamic economic growth of India by exploring all available financing options.
- It is also willing to provide further possible support for stimulating the economy, support strong growth recovery, and to build resilience to future shocks.
- This would include support for the MSMEs by:
 - Facilitating access to finance through credit guarantee schemes
 - Integration into global and national value chains through enterprise development centers
 - A credit enhancement facility for infrastructure projects
 - Another major agenda would be supporting the extension of comprehensive primary health services in urban areas, and of secondary and tertiary health care systems through the public-private partnership mode, said the statement.

4.11 DIRECT MONETISATION

Why in News: The COVID-19 spread has meant that the Indian economy, which was already slowing down rapidly over the past couple of years, has been impacted badly. With a nationwide lockdown, incomes have fallen and so have consumption levels. In other words, the demand for goods and services in the economy has gone down. Most estimates suggest that India's GDP will

barely grow in the current financial year, that is, if it does not contract, which is likely to be the case in most major economies of the world.

Issues plaguing the financial system

Inadequate transmission of liquidity

- Reserve Bank of India (RBI) has been trying to increase the liquidity in the financial system by buying government bonds from the financial system.
- Most banks, however, are unwilling to give new loans as they are risk-averse. Also, this process of transmission of liquidity further down in the system could take some time.

High fiscal deficit

- The government's finances were already under stress going into this crisis, with its fiscal deficit (the total amount of borrowings to bridge the gap between its spending and revenues) way over the permissible limit.
- As the economy has come to a standstill, the government will not be getting its revenues, hence, the "general" government's (Centre plus states) fiscal deficit is expected to shoot up to around 15% of GDP when the permissible limit is only 6%.
- On top of that, if the government provides some kind of a bailout or relief package, it would have to borrow a huge amount, which will further impact the fiscal deficit negatively.

Lack of borrowing options

- Further, for the government to borrow money, the market should have it as savings. Data shows that savings of domestic households have been going down and are barely enough to fund the government's existing borrowing needs.
- Foreign investors, too, have been pulling out funds and rushing to "safer" economies like the US, and are unwilling to lend in times of such uncertainty.
- So there isn't enough money in the market for the government to borrow. Moreover, as the government borrows more from the market, it pushes up the interest rate, which impacts liquidity transmission negatively.

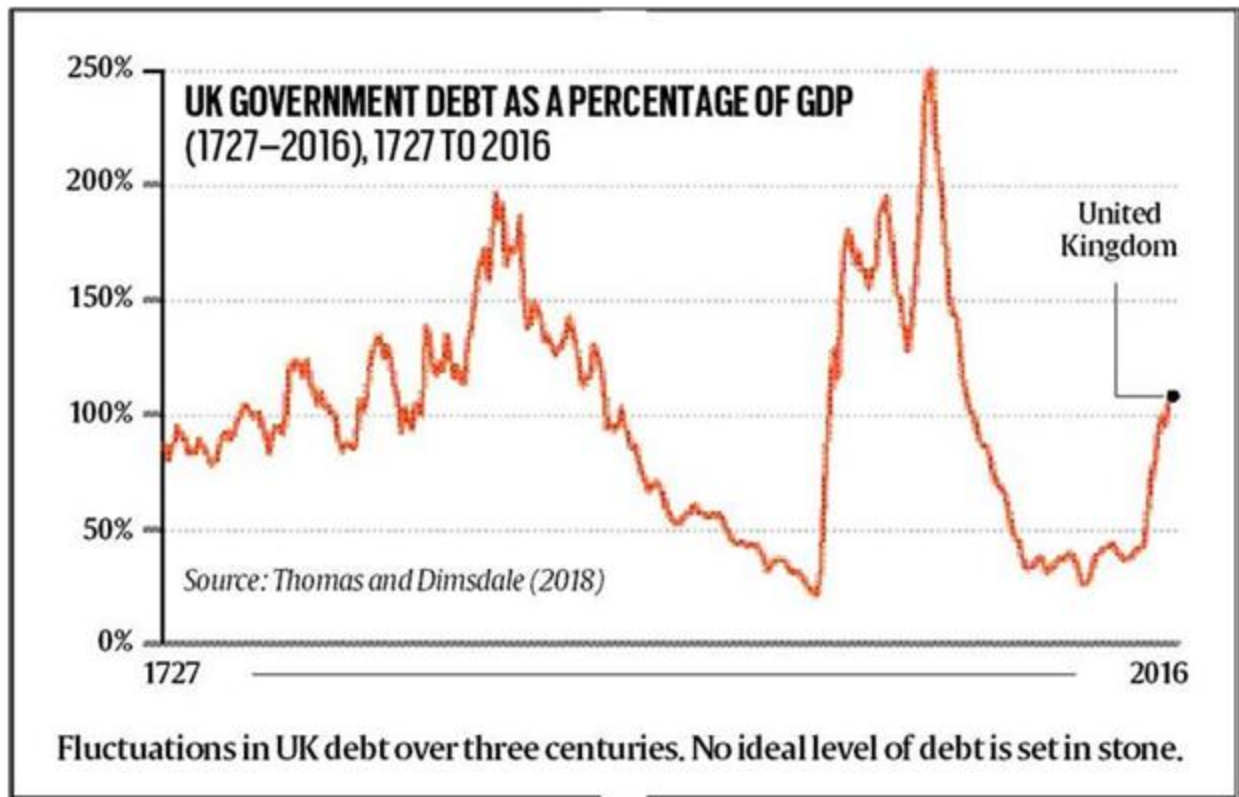
Direct Monetisation of Government deficit

- In spite of the above issues, there is still a solution, which can help the government in these trying times - the "direct" monetisation of government deficit.

- In direct monetization , the government deals with the RBI directly — bypassing the financial system — and asks it to print new currency in return for new bonds that the government gives to the RBI.
- Post which, the government would have the cash to spend and ease the stress in the economy through direct benefit transfers to the poor or starting construction of a hospital or providing wage subsidy to workers of small and medium enterprises etc.
- For printing this cash, which is a liability for the RBI (as every currency note has the RBI Governor promising to pay the bearer the designated sum of rupees), it gets government bonds.
- These bonds are an asset for the RBI, as such bonds carry the government's promise to pay back the designated sum at a specified date and since the government is not expected to default, this does not impact the RBI's balance sheet negatively.
- This is different from the "indirect" monetising that RBI does when it conducts the so-called Open Market Operations (OMOs) and/ or purchases bonds in the secondary market.

Examples of Direct Monetisation

- In India, until the year 1997, the RBI used to "automatically" monetise the government's deficit. However, in 1994, Manmohan Singh (former RBI Governor and then Finance Minister) and C Rangarajan, then RBI Governor, decided to end this facility by 1997.
- In the UK on April 9, the Bank of England extended direct monetisation facility to the UK government even though the Governor of the Bank of England, opposed the move till the last moment.



Issues with direct Monetisation of government Deficit

- The main argument against it is the concern on whether the monetisation process will be ended in time.
- Ideally, this tool provides an opportunity for the government to boost overall demand, but if governments do not exit soon enough, this tool also sows the seeds for another crisis.
- Government expenditure using this new money boosts incomes and raises private demand in the economy, which increase inflation.
- A little increase in inflation is healthy as it encourages business activity. However, if the government doesn't stop in time, more and more money floods the market and creates high inflation.
- Moreover, since inflation is revealed with a delay, it is often too late before governments realise they have over-borrowed. Thus, higher inflation and higher government debt provide grounds for macroeconomic instability.
- The other argument against direct monetising is that governments are considered inefficient and corrupt in their spending choices.
- Thus it is likely that in its desire to deal with the ongoing crisis, the government may resort to inefficient spending, which would hurt the economy further in the long run.

Way Ahead

- **Former RBI Governor C Rangarajan** believes that India would have to resort to monetising the deficit as such a large increase in expenditure cannot be managed without monetisation of government debt.
- However, in doing so, it should not forget the lessons from the balance of payments crisis in 1991, and a near-crisis in 2013, which were a result of extended fiscal irresponsibility.
- While there is no ideal level of debt which is mandatory, most economists however believe developing economies like India should not have debt higher than 80%-90% of the GDP. At present, it is around 70% of GDP in India.
- Hence, India should commit to a pre-determined amount of additional borrowing and to reversing the action once the crisis is over. Only such clearly stated fiscal control can retain market confidence in India's economy.

4.12 NATIONAL INFRASTRUCTURE PIPELINE

Why in News: The Task Force on National Infrastructure Pipeline (NIP) has submitted its Final Report on NIP for FY 2020-25 to the Union Minister for Finance & Corporate Affairs.

- The task force was set up after the Prime Minister, in his Independence Day speech last year, highlighted Rs 100 lakh crore worth of infra investment over the next five years to make India a \$5 trillion economy.
- The Summary Report of the Task Force on National Infrastructure Pipeline had already been released by the Finance Minister in December, 2019.
- The summary report had pointed that critical step in addressing decreasing private sector participation in infrastructure can be institutionalising dispute resolution mechanism to efficiently resolve disputes related to PPP projects.
- It further stated that investments must be made in the institutions created under The Commercial Courts Act 2015, The Specific Relief (Amendment) Act 2018 and the New Delhi Arbitration Centre Act 2019 for speedy resolution.

National Infrastructure Pipeline

- NIP is a first-of-its-kind, whole-of-government exercise to provide world-class infrastructure across the country, and improve the quality of life for all citizens.
- It aims to improve project preparation, attract investments (both domestic and foreign) into infrastructure, and will be crucial for target of becoming a \$5 trillion economy by FY 2025.
- The Final Report of NIP Task Force has projected total infrastructure investment of Rs 111 lakh crore during the period FY 2020-25. While Centre and states are expected to have almost equal share in implementing NIP, private sector contribution is expected around 21 per cent.

- The NIP captures all projects — Greenfield or Brownfield, under implementation or under conceptualisation — costing greater than Rs 100 crore per project.
- Out of the total expected capital expenditure of Rs 111 lakh crore, projects of Rs 44 lakh crore (40 per cent of NIP) are under implementation, projects worth Rs 33 lakh crore (30 per cent) are at conceptual stage and projects worth Rs 22 lakh crore (20 per cent) are under development.
- Of the total project capital expenditure, sectors such as energy (24 per cent), urban (17 per cent), railways (12 per cent) and roads (18 per cent) are expected to contribute nearly 70 per cent of the infra investments in India.

Recommendations

In addition to updating existing sectoral policies, the Final Report also identifies and highlights a set of reforms to scale up and propel infrastructure investments in various sectors throughout the country. Aggressive push towards asset sales, monetisation of infrastructure assets, setting up of development finance institutions and strengthening the municipal bond market are some measures suggested boosting infrastructure investment

SCIENCE AND TECHNOLOGY

❖ **Paper III: The articles in this section are relevant to the following topics:**

- **Science and Technology- developments and their applications and effects in everyday life**
- **Achievements of Indians in science & technology; indigenization of technology and developing new technology.**
- **Awareness in the fields of IT, Space, Computers, robotics, Nano-technology, bio-technology and issues relating to intellectual property rights.**



KAVISH IAS
Converting Possibilities into Reality

5.1 HYDROXYCHLOROQUINE

Why in News: As per the revised Guidelines on Clinical Management of COVID-19, the Union Health Ministry has allowed the use of Hydroxychloroquine in combination with Azithromycin under close monitoring for patients with severe disease and requiring ICU management.

Azithromycin-Hydroxychloroquine combination

- Azithromycin is a commonly used antibiotic, while HCQ is used in treatment of autoimmune diseases such as rheumatoid arthritis. It is also used in treating malaria.
- The azithromycin-hydroxychloroquine combination is part of SOLIDARITY (an upcoming multi-country trial anchored by the World Health Organization) to examine the efficacy of various drug combinations against COVID-19.
- **Note:** India had announced its decision to be part of the WHO global trials, which are also looking at these two drugs.

According to the study on usage of the medicine on Covid-19 patients, the combination did reduce the viral load but the size of the study is too small for the conclusion to be treated as definitive.

Medicine used for COVID-19 positive cases

- Earlier guideline issued on 17th March recommended use of anti-HIV drugs Lopinavir was used against the novel coronavirus disease (COVID-19) in India. This has now been repealed.
- HCQ was previously under testing and India had also allowed it to be administered only to doctors and caregiver in direct contact with COVID-19 positive cases in India.
- As per the new clinical management guidelines, a combination of hydroxychloroquine (HCQ), used for treatment of auto-immune disorders, and the antibiotic azithromycin has now been recommended for use in severe patients.

Revised National Clinical Management of COVID-19

- Health Ministry's Revised National Clinical Management of COVID-19 is intended for clinicians taking care of hospitalized adult and paediatric patients of COVID-19.
- **Aim of the document:** To provide clinicians with updated interim guidance on timely, effective, and safe supportive management of patients with COVID -19, particularly those with severe acute respiratory illness and critically ill.
- The Health Ministry has noted that no specific antiviral has been proven to be effective on Covid-19 as per currently available data.

- However, based on the available information (uncontrolled clinical trials), a combination of hydroxychloroquine (HCQ) and the antibiotic azithromycin drugs may be considered for patients with severe disease and requiring ICU management.
- However, it has cautioned that the medication is presently not recommended for children less than 12 years, pregnant and lactating women.
- Note: In addition to guidelines, an AIIMS call center has also been provided in order to support to the treating physicians on clinical management. The identified nodal doctor of the State, appointed for clinical management of COVID – 19 can contact the AIIMS Call Centre.

5.2 AAROGYA SETU AND GEO FENCING

Why in News: In its effort to spread awareness among citizens on the novel corona virus outbreak in India, the government has recently launched a new tracking app 'Aarogya Setu' to help people track Covid-19 infections more accurately and effectively.

Also, the government has tested an application, "geo-fencing", that triggers e-mails and SMS alerts to an authorised government agency if a person has jumped quarantine or escaped from isolation, based on the person's mobile phone's cell tower location.

Geo-fencing

- Geo-fencing is a location-based service in which an app or other software uses GPS, RFID, Wi-Fi or cellular data to trigger a pre-programmed action when a mobile device or RFID tag enters or exits a virtual boundary set up around a geographical location, known as a geo fence. It is similar to mobile tracking.
- This is essential now to ensure that the quarantined persons, who do not follow restrictions, are disciplined.

Aarogya Setu

- It is a mobile application available in 11 languages.
- It has been developed by the National Informatics Centre under the ministry of electronics
- It will help track the corona virus infection by using the smart phone's GPS system and Bluetooth and provide information that will help in determining if you have been near a Covid-19 infected person or not.
- The app will track its users' "interaction with others", and will alert the authorities if there was any suspicion of the user having been in contact with any infected person.
- It will enable people to assess themselves the risk for their catching the virus.

- The app will also help the government take necessary timely steps for assessing risk of spread of Covid-19 infection, and ensuring isolation where required.
- The app's design also ensures "privacy-first" and the personal data collected by the app is encrypted using "state-of-the-art technology and stays secure on the phone till it is needed for facilitating medical intervention.

How does this app work?

- Once installed in a Smartphone, the app detects other devices with Aarogya Setu installed that come in the proximity of that phone.
- The app can then calculate the risk of infection based on sophisticated parameters if any of these contacts has tested positive.
- It will calculate this based on their interaction with others, using cutting edge Bluetooth technology, algorithms and artificial intelligence.

Concerns over the privacy policy of Aarogya Setu App:

- Some legal experts have raised questions on the privacy policy of the app as there isn't enough information available on the type of data, time period for which data will be stored over the server and even the usage of the data.
- According to them, the government needs to specify the usage of the data. Otherwise, it will be a violation of the notice and consent principles,
- Additionally, there was also a question of proportionality with the app and whether it will be as effective as envisaged in containing the Covid-19 outbreak

5.3 BCG VACCINE

Why in News: A US study has found a correlation between countries that require citizens to get BCG vaccine & those showing fewer confirmed cases & deaths from Covid-19.

The researchers conducted a study and found that the countries without universal policies of BCG vaccination, such as Italy, the Netherlands, and the United States, have been more severely affected compared to countries with universal and long-standing BCG policies such as Japan, Brazil, India etc.

Bacillus Calmette-Guérin (BCG) vaccine

- The Bacillus Calmette-Guérin (BCG) vaccine is a live attenuated strain derived from an isolate of *Mycobacterium bovis* and has been used widely across the world as a vaccine for tuberculosis.

- A live attenuated vaccine means that it uses a pathogen whose potency as a disease producer has been artificially disabled, but whose essential identifying characters, which help the body mount an immune response to it, have been left unchanged.

Usage of BCG in India

- A BCG Vaccine Laboratory at King Institute, Guindy, Madras (Chennai), Tamil Nadu, was set up in 1948.
- In 1948, the Government of India used the BCG vaccination on a limited scale and under strict supervision as a measure to control the Tuberculosis in the country.
- The work on BCG had started in India as a pilot project in two centers in 1948.
- By 1955-56, the mass campaign had covered all states of India. BCG remains part of the basket of vaccines included in the Universal Immunization Program

BCG-Covid-19 Link

- Researchers from the New York Institute of Technology (NYIT) analysed the global spread of COVID-19.
- The study correlated it with data from the world BCG Atlas that shows which countries have BCG vaccine coverage.

Conclusion of the study

Relation between BCG and Covid-19 affected countries

- The countries with a policy for universal BCG vaccination have had a lower number of cases than those like the US, where universal BCG vaccination was discontinued after the incidence of TB came down, and Italy.
- The mortality rate of Covid-19 is very high in countries which never implemented universal BCG vaccination like Italy.
- On the other hand, Japan had one of the early cases of COVID-19 but it has maintained a low mortality rate despite not implementing the strictest forms of social isolation. Japan (has) been implementing BCG vaccination since 1947.
- The researchers claimed that the vaccine is reported to provide immunity against a large number of respiratory diseases.
- BCG vaccination has been shown to produce broad protection against viral infections and sepsis, raising the possibility that the protective effect of BCG might be not directly related to actions on COVID-19 but on associated co-occurring infections or sepsis.

- However, the researchers also found that BCG vaccination was correlated with a reduction in the number of COVID-19 reported infections in a country suggesting that BCG might confer some protection specifically against COVID-19.
- Clinicians in at least six countries are now running trials that involve giving frontline health workers and elderly people the BCG vaccine to see whether it can indeed provide some level of protection against the new corona virus.

Critique of the claim

- Some researchers have questioned about NYIT's research methodology, and some of the presumptions made.
- They also said the limited extent of COVID-19 spread globally at the time the study was conducted limits the significance of the study.
- They have questioned about how a century-old vaccine may boost immunity in individuals, providing non-specific protection to other illnesses, and by extension protecting against COVID-19 or reducing severity of its presentation based on this analysis alone.

Conclusion

- There is no direct antiviral effect but BCG could be an immune potentiator which enables the body to resist the virus better.
- However, correlation is not proof of causation and we need stronger evidence which may be forthcoming in prevention trials started in some countries.

5.4 CORONAVIRUS AFFECT ON LUNGS

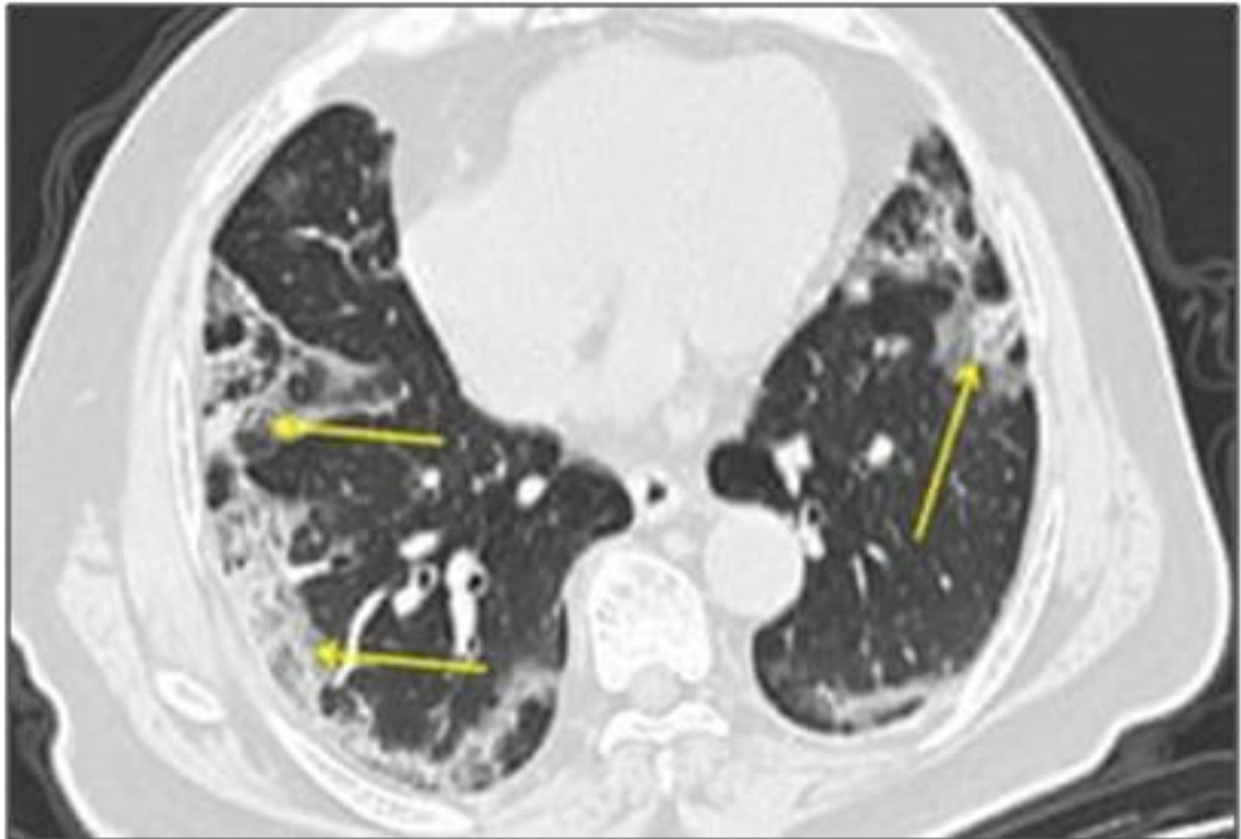
How is the virus affecting people?

- Almost all serious consequences of Covid-19 feature pneumonia. People who catch Covid-19 can be placed into four broad categories. Asymptomatic and mildly symptomatic: This group consists of the least serious patients which will show no symptoms after catching the virus.
- Infection in the upper respiratory tract: Those who get an infection in the upper respiratory tract, “means a person has a fever and a cough and maybe milder symptoms like headache or conjunctivitis”. Those people with minor symptoms are still able to transmit the virus but may not be aware of it.
- **Flu-like symptoms:** Those who develop the same flu-like symptoms that would usually keep them off work. These are the largest group of those who would be positive for Covid-19, and the people most likely to present to hospitals and surgeries

- **Severely affected patients:** A fourth group will develop severe illness that features pneumonia. In severe cases, ventilator support may be needed to ensure sufficient oxygen circulation in the body.

In Wuhan, it worked out that from those who had tested positive and had sought medical help, roughly 6% had a severe illness.”The WHO says the elderly and people with underlying problems like high blood pressure, heart and lung problems or diabetes, are more likely to develop serious illness.

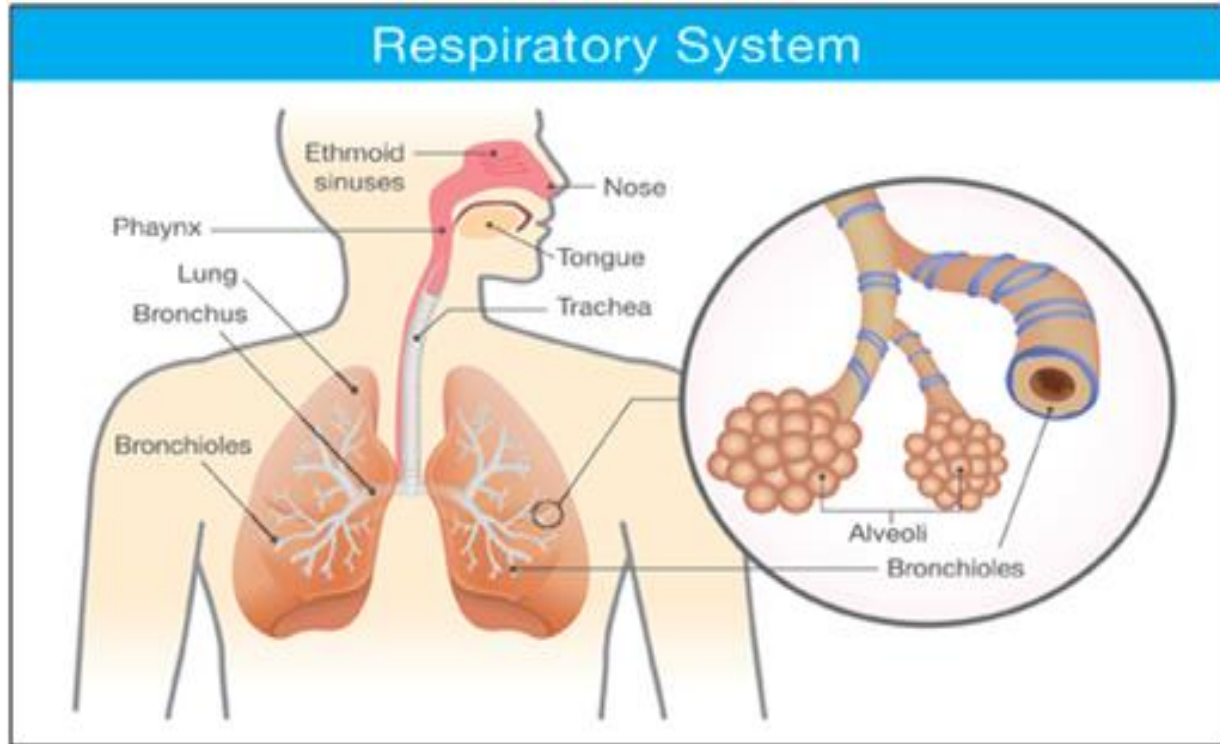
How does the Corona virus affect the most severely affected Group?



When it enters the body of a person

- Once the virus enters the body, it can cause discomfort when it reaches the air passages on the outside of the lungs.
- These passages conduct air into and from the lungs.
- The virus injures the lining of the passageways, and the body responds with an inflammation, which in turn irritates the nerves in the lining. That is when an infected person coughs.

When it enters Lungs



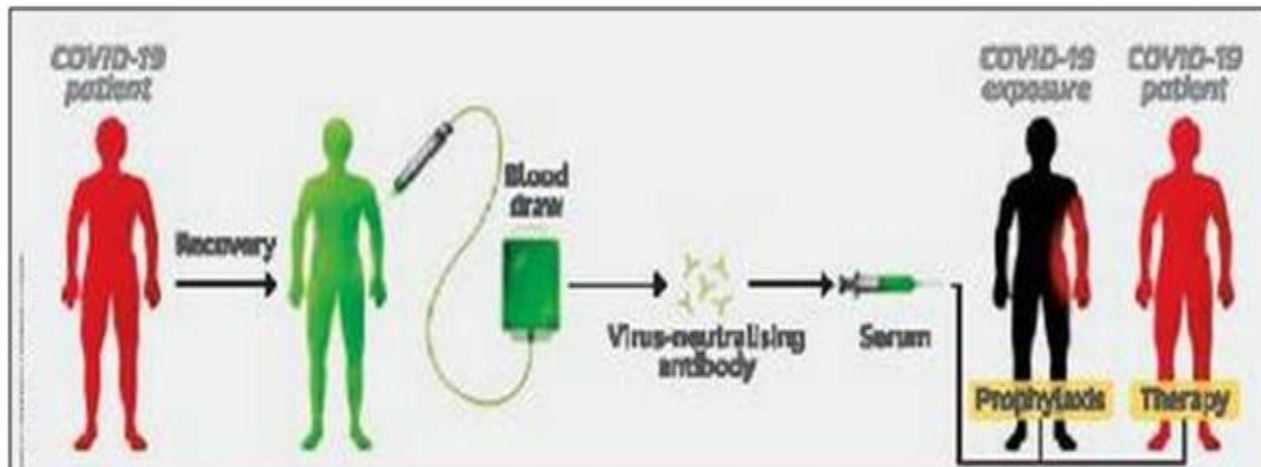
- The Infection can be more severe if the virus goes past the lining of the airways, and reaches the air sacs at the end of the air passages, called alveoli, these sacs are responsible for the exchange of gas in the lungs.
- If they get infected, the sacs respond with inflammatory fluids, which fill the air sacs.
- This leads to pneumonia i.e. when the lungs' ability to transfer oxygen is impaired, and the infected person has difficulty breathing.
- When a person cannot inhale enough oxygen and exhale enough carbon dioxide, pneumonia can lead to death.

5.5 PLASMA THERAPY

Why in News: The Indian Council of Medical Research (ICMR) is framing a protocol for using convalescent plasma therapy. This will only be done by way of a clinical trial in patients in a severe condition or on ventilator support.

Convalescent plasma therapy

- Convalescent plasma therapy involves transfusing certain components from the blood of people who have had the COVID-19 virus and recovered into people who are very sick with the virus or people who are at high risk of getting the virus.
- Convalescent plasma is also known as passive antibody therapy, meaning that while it can immediately provide a person with antibodies to fight a virus, those antibodies only last a short period of time in the recipient's body until it develops own defences.



Working

- As people fight the COVID-19 virus, they produce antibodies that attack the virus.
- Those antibodies, proteins that are secreted by immune cells known as B lymphocytes, are found in plasma, or the liquid part of blood that helps the blood to clot when needed and supports immunity.
- Once a person has had the virus and recovered, that person has developed antibodies that will stay in their blood waiting to fight the same virus.
- Those antibodies, when injected into another person with the disease, recognize the virus as something to attack.
- In the case of the corona virus, antibodies attack the spikes on the outside of the virus, blocking the virus from penetrating human cells.

Significance

- The convalescent plasma will be effective in treating people with the most severe symptoms of the virus.
- Also, it is hoped that it can keep those people who are not as sick from COVID-19 from getting any sicker.

Limitations

- It is a very expensive treatment.
- It is limited by the number of donors since one donation can make only two doses (200ml each) of the therapy.
- A key challenge is the non-availability of the kit for checking the antibody level in the plasma of a recovered person. The kit is not available in India and has to be brought from Germany and the cancellation of international flights would lead to delay.

Latest Development

- At present there are no specific antiviral agents which have been found to be effective in the treatment of COVID-19.
- The Convalescent plasma therapy will be carried out in the expectation that antibodies specific to the Novel Corona virus that are present in the blood of the patient who has recovered will help generate immune response in the other patient
- Convalescent plasma therapy has been used by doctors to treat critically ill patients during earlier epidemics too, during H1N1, SARS and Ebola
- CP therapy shows a potential therapeutic effect and low risk in the treatment of severe COVID-19 patients and that it can rapidly reduce the viral load in patients and improve clinical symptoms significantly.

5.6 PATHOGENS AND ZOOONOTIC DISEASES

Why in News: As the virus causing COVID-19 spreads across the world, various claims have been made about how the virus came into being in the first place. One of the conspiracy theories spreading around is that the virus was manufactured in laboratories and then shipped to nations. However, a paper published in the reputed journal Nature Medicine has made it clear that this is a case of zoonoses and the host of the virus was definitely an animal. The analyses clearly show that SARS-CoV-2 is not a laboratory construct or a purposefully manipulated virus.

Points put forth by the paper

- The first possible source heard of in relation to the COVID-19 epidemic was the wet market in Wuhan, China. While subsequent studies cast doubts on the link, it is quite possible that an animal source was present at this location.
- Moreover, given the similarity of SARS-CoV-2 to bat SARS-CoV-like corona viruses, it is likely that bats served as reservoir hosts. Further, Malayan pangolins illegally imported into Guangdong province, contain corona viruses similar to SARS-CoV-2.

- The most variable part of the corona virus genome in humans — the receptor-binding domain (RBD) in the spike protein — could have occurred in an animal host before the transfer to humans, or natural selection happened in humans after the zoonotic transfer.
- There is also a possibility of a progenitor (ancestor) of SARS-CoV-2 that jumped into humans, acquiring the genomic features through adaptation during undetected human-to-human transmission.

Zoonotic infections

- A zoonosis (zoonotic disease or zoonoses -plural) is an infectious disease that is transmitted between species from animals to humans. A zoonotic agent may be a bacterium, a virus, a fungus or other communicable disease agent.
- For many zoonotic diseases or zoonoses, livestock serve as a bridge between wildlife and human infections. The inevitable interaction between humans and livestock with wildlife exposes the human species to the risk of spillover of potential pathogens.
- The issue of pathogens crossing species to cause diseases is not a new concept. The WHO estimates that globally, about a billion cases of illness and millions of deaths occur every year from zoonoses.
- According to the United Nations Environment Programme (UNEP), 60% of all infectious diseases in humans are zoonotic, and about 75% of all emerging infectious diseases are zoonotic in nature.
- Among zoonoses that emerged or re-emerged recently, the UNEP counts Ebola, bird flu, Middle East Respiratory Syndrome (MERS), Rift Valley fever, severe acute respiratory syndrome (SARS), West Nile virus, Zika virus disease, and COVID-19.
- Further, emerging pathogens are more likely to be viruses, than any other kind — bacteria, parasites, fungi — and are more likely to have a broad host range.

Reasons for the prevalence of zoonotic diseases

- As per UNEP, the reasons of zoonotic disease emergence are changes in the environment ranging from land use change; changes in animals or human hosts; and changes in pathogens, which are programmed to survive, and in the process exploit multiple hosts.
- For instance, bat-associated viruses emerged due to the loss of habitats. The Ebola outbreak in West Africa was reportedly the result of forest losses leading to closer contacts between wildlife and human settlements.
- Similarly, the emergence of avian influenza was linked to intensive poultry farming; and the Nipah virus was linked to the intensification of pig farming and fruit production in Malaysia.

- Human-induced environmental changes modify wildlife population structure and reduce biodiversity, resulting in new environmental conditions that favour particular hosts, vectors, and/or pathogens.
- Changes in weather patterns, and extreme weather events affect the distribution areas of disease, pathogens and pests.
- Also, changes in human behaviour, including travel, conflicts, migration, wildlife trade, urbanisation, and dietary and medical preferences, can result in disease emergence.

Threats from the plant kingdom

- The current COVID-19 pandemic underlines how unprepared humans are in fighting zoonotic diseases: pathogens that originate in wildlife and jump to humans.
- However, it is not just animal-to-human transmission that the world needs to worry about. Human immune systems are equally unprepared for drug-resistant diseases that jump from plants to humans.
- Thus, as the world works to control and treat the current pandemic, it must not only be cautious of transmission of disease from the plant kingdom but also work on avoiding future pandemics without disrupting the food supply.

One health Concept

- In perfect ecosystems, all biological systems have a natural capacity to recover and adapt, but the current pace of change may be too fast for systems to do so.
- Thus, the WHO proposes the 'One Health' approach, which incorporates designing and implementing programmes, policies, legislation and research in which multiple sectors communicate and work together to achieve better public health outcomes.
- The areas of work in which a One Health approach is particularly relevant include food safety, the control of zoonoses, and combating antibiotic resistance. The concept helps practitioners understand disease determinants, manage risks and optimise interventions.

Way Ahead

- It is clear that it will be difficult to predict, with current tools, where the next outbreak will come from or when it will be.
- Growing evidence suggests that outbreaks or epidemic diseases may become more frequent as changes continue to have an impact on the ecosystem, but doing nothing will only let these pathogens flourish, jump hosts and attack humans.
- Hence, to deal with it, the UNEP calls for strong global stewardship of nature and biodiversity. Preserving ecosystem integrity can actually help regulate diseases by supporting a

diversity of species so that it is more difficult for one pathogen to spill over, amplify or dominate.

- Additionally, developing sharper, reliable early warning systems for diseases, and a 'One Health' approach can act as guides for the road ahead.



ECOLOGY and ENVIRONMENT

❖ **Paper III: The articles in this section are relevant to the following topics:**

- **Conservation, environmental pollution and degradation, environmental impact assessment**
- **Disaster and disaster management.**

❖ **Prelims Oriented Questions**



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6.1 BS- VI

- **Why in News:** National oil marketer Indian Oil Corporation (IOC) has said it is ready to supply low emission BS-VI fuels from April 1 and there will be a marginal increase in retail prices.

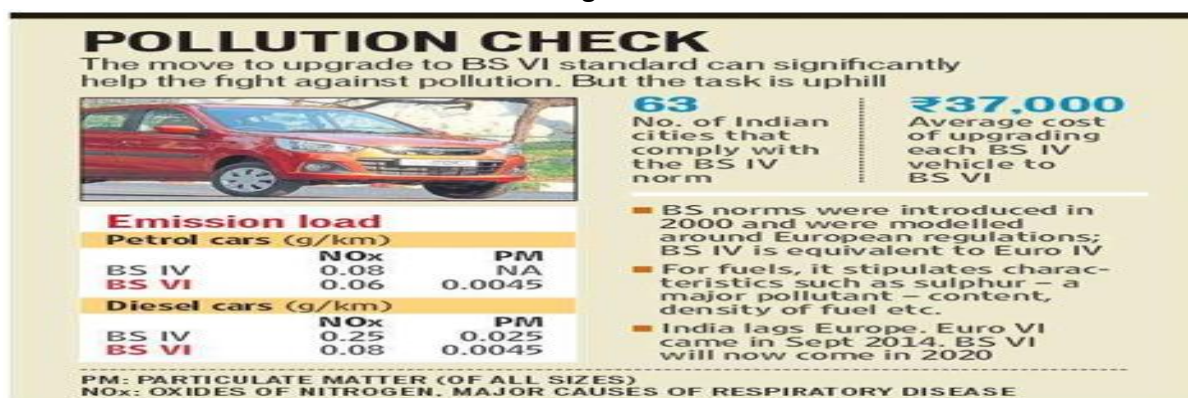
BS-VI vehicles

- Vehicular emission (NO_x, SO₂, CO₂ and particulate matter) is a major contributor to the worsening air quality of Indian cities. Bharat Stage VI (BS VI) is an emission standard that will induce technology in the vehicles to reduce pollutant emissions.
- The vehicles will mandatorily include OBD (On-board diagnostics) which will monitor the pollution caused by the vehicle in real time.
- The BS-VI vehicles use selective catalytic reduction technology which substantially reduces particulate matter emission.
- BS VI-compliant vehicles will be at par with Europe, meeting one of the most stringent emission norms globally.

Advantages of using BS-VI fuel and vehicles

- NO_x emission will come down by approximately 25% for the petrol engine and 68% for the diesel engines.
- BS-VI grade fuel contains 10 parts per million (ppm) of sulphur as against 50 ppm in BS-IV fuels.
- The BS-VI fuel would result in 10-20 per cent reduction in particulate emission when used in BS-IV or lesser grade engines.
- The Octane number for petrol engines has improved from 88 in BS-II to 91 as required under BS-VI emission norms.
- However full benefits will be realized when the automakers start manufacturing BS VI grade engines in their vehicles. The PM emission will see a substantial decrease of 80% in diesel

engines



6.2 BIO MEDICAL WASTE

Why in News: The Central Pollution Control Board (CPCB) has recently provided its guidelines and marked Common Bio-Medical Waste Treatment Facilities (CBWTFs) as a key factor in the race to contain the corona virus outbreak. The CPCB also issued detailed guidelines on handling, treatment and disposal of waste generated during treatment, diagnosis and quarantine of COVID-19 patients.

Isolation wards, sample collection centers, and laboratories are all mandated to keep a separate 'COVID-19' waste collection bin in a temporary storage room. CBWTFs are to identify this separately-labeled waste for priority treatment and disposal.

Bio Medical Waste and Common Bio-Medical Waste Treatment Facilities (CBWTFs)

Bio Medical waste (BMW)

- Biomedical waste comprises human & animal anatomical waste, treatment apparatus like needles, syringes and other materials used in health care facilities in the process of treatment and research.
- This waste is generated during diagnosis, treatment or immunization in hospitals, nursing homes, pathological laboratories, blood bank, etc.
- Scientific disposal of Biomedical Waste through segregation, collection and treatment in an environmentally sound manner minimizes the adverse impact on health workers and on the environment.
- The hospitals are required to put in place the mechanisms for effective disposal either directly or through common biomedical waste treatment and disposal facilities.

- Note: Central Pollution Control Board has been following up with all SPCBs/PCCs to ensure effective management of biomedical waste in States/UTs.

BMW generation in India

As per the pollution control board estimates, there are over 1.87 lakh healthcare facilities in the country with 17.01 lakh beds that generate about 519 tonnes of bio-medical waste every day.

Common Bio-medical Waste Treatment Facility (CBWTF)

- A Common Bio-medical Waste Treatment Facility (CBWTF) is a set up where biomedical waste, generated from a number of healthcare units, is imparted necessary treatment to reduce adverse effects that this waste may pose.
- The treated waste may finally be sent for disposal in a landfill or for recycling purposes.

CBWTFs in India

- According to data submission to National Green Tribunal (NGT) in 2019, there were 154 CBMWTFs in 17 states and Union Territories. These states and UTs, including Delhi, account for over 7,000 corona virus cases now.
- There are five states and UTs with no CBMWTF, including Andhra Pradesh and Punjab which account for over 750 cases now; 13 states and UTs, including Maharashtra (3,205 cases), did not submit any data; and, of the 154, the facility in Goa was “dysfunctional”.
- However, there is a great need for rapid development of more CBMWTFs to fulfill the need of treatment and disposal of all BMW generated in India.

Bio-medical Waste Management Rules, 2016

- Bio-Medical Waste Management Rules 2016 are improvement over the 1998 rules.
- Definition of Bio-medical waste treatment and disposal facility: Any facility wherein treatment, disposal of bio-medical waste or processes incidental to such treatment and disposal is carried out, and includes common bio-medical waste treatment facilities.

Features

- The ambit of the rules has been expanded to include vaccination camps, blood donation camps, surgical camps or any other healthcare activity;
- Phase-out the use of chlorinated plastic bags, gloves and blood bags within two years;
- Pre-treatment of the laboratory waste, microbiological waste, blood samples and blood bags through disinfection or sterilisation on-site.
- Provide training to all its health care workers and immunise all health workers regularly;

- Establish a Bar-Code System for bags or containers containing bio-medical waste for disposal;
- Bio-medical waste has been classified in to 4 categories instead 10 to improve the segregation of waste at source;
- Procedure to get authorisation simplified. Automatic authorisation for bedded hospitals.
- State Government to provide land for setting up common bio-medical waste treatment and disposal facility;
- No occupier shall establish on-site treatment and disposal facility, if a service of `common bio-medical waste treatment facility is available at a distance of seventy-five kilometer.
- Operator of a common bio-medical waste treatment and disposal facility to ensure the timely collection of bio-medical waste from the HCFs and assist the HCFs in conduct of training.

6.3 OZONE LAYER

Why in News: Last week, the European Union's Copernicus Atmosphere Monitoring Service (CAMS) announced that a hole in the Arctic ozone layer, believed to be the biggest reported, has closed.

- As per reports, the ozone hole's closing was because of a phenomenon called the polar vortex, and not because of reduced pollution levels due to Covid-19 lockdowns around the world.
- The hole in the North Pole's ozone layer, which was first detected in February, had since reached a maximum extension of around 1 million sq km.
- As per the Scientific Assessment of Ozone Depletion data of 2018, the ozone layer in parts of the stratosphere has recovered at a rate of 1-3 per cent per decade since 2000.
- At these projected rates, the Northern Hemisphere and mid-latitude ozone is predicted to recover by around 2030, followed by the Southern Hemisphere around 2050, and Polar Regions by 2060.

Ozone

- Ozone (chemically, a molecule of three oxygen atoms) is an irritating, pale blue gas that is explosive and toxic, even at low concentrations.
- It occurs naturally in small amounts in the Earth's stratosphere, whereas, near-surface ozone often results from interactions between certain pollutants such as nitrogen oxides and volatile organic compounds, strong sunlight, and hot weather.
- It is one of the primary ingredients in photochemical smog, a phenomenon that affects many urban and suburban areas around the world, especially during the summer months.

- Ozone is a powerful oxidant and has many industrial and consumer applications related to oxidation.
- This same high oxidizing potential, however, causes ozone to damage mucous and respiratory tissues in animals, and also tissues in plants, above concentrations of about 0.1 ppm.

Ozone layer

- Ozone is found mainly in the upper atmosphere, an area called the stratosphere, between 10 and 50 km from the earth's surface. Though it is talked of as a layer, ozone is present in the atmosphere in rather low concentrations.
- Even at places where this layer is thickest, there are not more than a few molecules of ozone for every million air molecules. The thickness of the ozone layer varies worldwide and is generally thinner near the equator and thicker near the poles.
- Thickness refers to how much ozone is in a column over a given area and varies from season to season. The reasons for these variations are due to atmospheric circulation patterns and solar intensity.
- By absorbing the harmful ultraviolet radiations from the sun, the ozone molecules eliminate a big threat to life forms on earth, as UV rays can cause skin cancer and other diseases and deformities in plants and animals.

Ozone holes

- The 'ozone hole' is not really a hole — it refers to a region in the stratosphere where the concentration of ozone becomes extremely low in certain months.
- The ozone holes most commonly talked about are the reductions over Antarctica, forming each year in the months of September, October and November, due to a set of special meteorological and chemical conditions that arise at the South Pole.
- Such holes are also spotted over the North Pole, but due to warmer temperatures than the South Pole, the depletions here are much smaller in size. Before this year, the last sizeable Arctic ozone hole was reported in 2011.

Reasons for the huge ozone hole this year

- This year, the ozone depletion over the Arctic was much larger. Scientists believe that unusual atmospheric conditions, including freezing temperatures in the stratosphere, were responsible.
- As per a European Space Agency report, cold temperatures (below -80°C), sunlight, wind fields and substances such as chlorofluorocarbons (CFCs) were responsible for the degradation of the Arctic ozone layer.

- Although Arctic temperatures do not usually fall as low as in Antarctica, this year, powerful winds flowing around the North Pole trapped cold air within what is known as the polar vortex.
- By the end of the polar winter, the first sunlight over the North Pole initiated this unusually strong ozone depletion—causing the hole to form. However, its size is still small compared to what can usually be observed in the southern hemisphere.

Polar Vortex

- A polar vortex is an upper-level low-pressure area lying near the Earth's poles. There are two polar vortices in the Earth's atmosphere, overlying the North and South Poles.
- Each polar vortex is a persistent, less than 1,000 kilometers in diameter, that rotates counter-clockwise at the North Pole and clockwise at the South Pole (called a cyclone in both cases), i.e., both polar vortices rotate eastward around the poles.
- As with other cyclones, their rotation is driven by the Coriolis Effect. The bases of the two polar vortices are located in the middle and upper troposphere and extend into the stratosphere, beneath which lies a large mass of cold, dense Arctic air.
- A polar vortex strengthens in the winter and weakens in the summer because of its dependence on the temperature difference between the equator and the poles.
- The stratospheric polar vortex exerts an important influence on the Earth's climate. One of the most obvious effects is ozone depletion, which is caused by chemical destruction by chlorine and bromine from CFCs and other manmade compounds.
- This effect is particularly strong in the southern hemisphere, where the polar vortex is colder and more stable than northern counterpart.
- The formation of the ozone hole leads to an even colder stronger polar vortex, this happens because ozone absorbs ultraviolet radiation and warms the stratosphere, so less ozone means lower temperatures, strengthening the vortex and further driving the creation of polar stratospheric clouds.
- In the north, one of the most noticeable features of the Arctic weather is the sudden warming or cooling that can take place. These sudden changes in temperature are strongly related to the Arctic polar vortex structure.

SOCIAL ISSUES

❖ **Paper I: The articles in this section are relevant to the following topics:**

- **Salient features of Indian Society, Diversity of India.**
- **Role of women and women's organization, population and associated issues, poverty and developmental issues, urbanization, their problems and their remedies.**
- **Effects of globalization on Indian society**
- **Social empowerment, communalism, regionalism & secularism.**



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7.1 TELEMEDICINE

India's doctor to patient ratio is poor

- Against the WHO mandated one doctor for every 1,000 people, India has one for every 1,457; China has one per 671 people, and Germany one per 242.
- This problem worsens when it comes to public healthcare. There is just one functioning primary healthcare centre (PHC) for every 64,800 people, and one PHC doctor for every 38,000.

Telemedicine can help overcome this problem partly

- In 2019, a McKinsey Global report stated that India could save \$10 billion if telemedicine replaced 30-40% of in person outpatient consultations.
- It further highlighted that it would improve care for poor and those living in rural areas, and at an accelerated pace, the country could cover 50-60% of outpatient consultants by 2025.

Recent telemedicine guidelines

- The government has recently come out with telemedicine guidelines.
- It is a timely reform, and not just in the backdrop of the Covid-19 crisis.
- It will lessen the pressure on the country's healthcare infrastructure, and, in the context of the corona virus, also help observe social distancing as patient-doctor consultations can now be virtual.

How they enable doctor patient interaction

- The new telemedicine guidelines allow patients to reach a registered medical practitioner over WhatsApp, phone call, or Skype.
- Any prescription sent by a doctor, either over email or WhatsApp, will be acceptable at pharmacies.
- The guidelines bar doctors from prescribing drugs classified under Schedule X of Drug and Cosmetic Act and Rules, and any narcotic and psychotropic substance listed in the Narcotic Drugs and Psychotropic Substances Act, 1985.
- Doctors have been made responsible for privacy, and protection of patient data.
- In future-wise thinking, the government has also allowed the use of artificial intelligence and machine learning to assist a registered medical practitioner, though it proscribes the sole use of AI/ML for counseling of patients, or prescribing medicine.
- It has also recognised teleradiology, telepathology, and teleophthalmology solutions.

Government support needed to take full advantage of telemedicine

- While the guidelines offer policy certainty, telemedicine moving meaningfully into rural areas will need government support.
- For example, there are startups offering tele-radiology kind of solutions which are being used by big radiology labs but not many district hospitals have adopted such solutions.
- Such apps used by government hospitals can aid in diagnosis where they don't have enough radiologists.
- A 2018 NITI Aayog consultation paper talks of creating something like a public health record database.
- If the government moves meaningfully on creating such a database, it will not only help tap telemedicine's full potential but also sharpen India's AI/ML capabilities in healthcare.
- The DigiLocker project initiated by the government can allow individuals to keep uninterrupted records of their health which can, when required, be sent to the doctor.
- Also, a laboratory running diagnostic tests can just send results to a Digilocker linked to the patient.

7.2 HEALTH INFRA AND INVESTMENT IN INDIA

India's low investment in health

- India's investments in the health sector have historically been low, at no time over 1.3% of its GDP.
- In comparison, the investment in health as percentage of GDP is 5% in China, 8.1% in South Korea, 10.9% in Japan.
- Despite instituting one of the earliest architectures of rural primary care, the Indian public health system is struggling to comprehend the challenges that Covid-19 has brought with it.

National Health Mission (NHM) not backed by investment

- In 2005, the National Rural Health Mission (NRHM), now known as National Health Mission (NHM), attempted to strengthen the primary, secondary and tertiary health services.
- But this was not followed through with robust investments in health infrastructure, workforce, supply chains, and community models for delivering care.

PMJAY will also need to be backed by quality health infrastructure

While the Prime Minister's Ayushman Bharat Yojna (PMJAY) has led to risk-pooling and greater health access for poorer households, the issue of quality assurance needs more attention in the future.

Covid-19 exposed new nature of health emergencies

The corona virus pandemic (Covid-19) has exposed the new nature of health threats and emergencies, linked to food systems, human-wildlife and anthropogenic conflicts, and the dynamics of globalization.

Needed extraordinary response

- To counter this emergency, an unrivalled response has been initiated by all governments, the scientific community and citizen groups.
- On March 25, despite fewer notified cases compared to other countries, India initiated a 21-day national lockdown, adopting social distancing and citizen isolation, and state border closures.
- It prompted a call to action for low-cost innovations to support the government through this crisis.

Highlights the need for more investment in healthcare

- The Indian health care system is attempting to ramp up for the seemingly long battle ahead.
- This also serves as a wake-up call and a chance to invest in health care systems like never before.
- The response to Covid-19 provides an opportunity for meaningful health reform.

Approach towards low-cost, client-centered medical and health innovations

- Investment in human resources India needs to invest in human resources for health, now and in the future.
- India must strive to meet the World Health Organization norms (2016) for health workforce density: 44 health workers per 10,000 people.
- Recent estimates indicate current total human resource density is at 29 per 10,000, with wide variations among states

Up skilling

While India increases this number, it needs to also look at enhancing quality through upskilling.

Through emergency response training, competencies such as testing, referral, quarantining and using medical equipment can be developed.

Private sector

The fight against Covid-19 cannot be won without the active involvement of the private sector and other health care providers who can play an important role in identifying potential cases and ensuring early quarantines.

Evolving role of other health sector workers

We need to rethink the roles and responsibilities of frontline health workers such as Accredited Social Health Activists (ASHA), Auxiliary Nurse Midwives (ANM) and multi-purpose workers, taking into account the skills they have.

Role of community health centers and district hospitals

- With citizens under lockdown and their mobility restricted, the role of community health centers and district hospitals will be key.
- State and district administration will need support from local community bodies, panchayats, urban local bodies, and citizen groups to ensure that cases are isolated early and supply chains for drugs and essential equipment are functioning optimally.
- A communication plan to spread the right messages will be important.
- District hospitals need appropriately trained staff and medical equipment to ensure that cases are managed effectively at the facility and mortality is minimized.
- Effective use of telemedicine can deal with complicated cases, especially in inaccessible areas. We should be careful to not concentrate services in some cities alone.

Encourage low-cost innovations in medical technology

- The government must make all efforts to encourage low-cost innovations in medical technology to meet the needs of essential equipment, both to respond to the pandemic now and to develop the capacity for the next flu season.
- Identifying and easing the regulatory frameworks for developing new medical products can help enable rapid responses.
- Regulating the prices of essential drugs, low-cost mass production of masks and protective gear, will ease the burden.
- In the medium-to-long-term, India needs to further strengthen its biomedical research capabilities, and invest in cutting-edge “made in India” health technologies and make it easier for health technology start-ups to function with tax cuts.
- Scientific innovations hold the key to solving social crises.

Task force to understand the impact of Covid-19 on health system

- A task force to understand the impact of Covid-19 on the health system and households is required.
- The pandemic presents an opportunity to expand the coverage of the PMJAY, including considering a universalized health insurance model.
- Social distancing may lead to new challenges of anxiety and mental health all round.
- This pandemic is also impacting other health and nutrition program as services and attention are likely to get diverted from them.
- We require state-level task forces that represent not just administrators and doctors but that engage wider civil society to address some of these long-term effects.

Conclusion

- Covid-19 presents an opportunity to bolster India's health system, sustain investment in technology and reorient budgeting priorities towards health.
- As our medical workforce fights this invisible enemy, India owes them a robust health system that can facilitate all their efforts.

7.3 AYUSHMAN BHARAT AND PMJAY

Why in News: The Central government has decided to provide free testing and treatment of Corona virus under the Ayushman Bharat Scheme.

Ayushman Bharat (AB)

- In 2018, the union government announced two major initiatives in health sector, as part of Ayushman Bharat program.
- Curative care - Pradhan Mantri Jan Arogya Yojana (PMJAY): For hospitalisation at secondary- and tertiary-level private hospitals.
- Primary care - Health and Wellness Centers (HWC): To strengthen primary healthcare, Ayushman Bharat scheme seeks to upgrade more than 1.5 lakh health facilities to health and wellness Centers (HWC).

Pradhan Mantri Jan Arogya Yojana (PMJAY)

- PMJAY will provide a cover of up to Rs. 5 lakhs per family per year to poor and vulnerable people, for secondary and tertiary care hospitalization.
- It was launched on 23rd September, 2018 at Ranchi, Jharkhand by the Prime Minister.
- The National Health Authority (NHA) is responsible for the implementation of PMJAY.
- The schemes intend to cover nearly 50 crore people from 10.74 crore 'deprived' families selected on the basis of SECC (socio economic caste census) data.

- The inclusion of households is based on the deprivation and occupational criteria of the Socio-Economic Caste Census 2011 (SECC 2011) for rural and urban areas, respectively.
- PMJAY will provide cashless and paperless access to services for the beneficiary at the point of service.
- Each state will be able to choose the implementation mode that suits its needs.
- The cashless and paperless treatment will be available only if the patients get admission in empanelled under the scheme.

Latest Update

- The Central government has decided to provide free testing and treatment of Corona virus under the Ayushman Bharat Scheme.
- The empanelled hospitals can use their own authorized testing facilities or tie up with an authorized testing facility for the scheme.
- These tests would be carried out as per the protocol set by Indian Council for Medical Research (ICMR) and by private labs approved/registered by the ICMR.
- Similarly, treatment of COVID-19 by private hospitals will be covered under AB-PMJAY.
- The objective of the decision was to increase the supply of testing and treatment facilities and increase access by roping in the private sector through AB-PM JAY scheme as per the ICMR guidelines.
- The move will help more than 50 crore Ayushman beneficiaries to avail free testing and treatment in designated private hospitals across India.
- This would also allow beneficiaries to get timely and standard treatment.
- Making testing and treatment available under Ayushman Bharat PM-JAY will significantly expand capacities by including private sector hospitals and labs and mitigate the adverse impact of this catastrophic illness on the poor.

7.4 MEASLES

Why in News: According to the statement issued by Measles & Rubella Initiative consortium over 117 million children in 37 countries could be at risk for measles because countries around the world are suspending national immunization programs in order to reduce the risk of corona virus infection.

Measles & Rubella Initiative

- The Measles & Rubella Initiative (M&RI) is a global partnership, founded by the American Red Cross, the U.S. Centers for Disease Control and Protection, UNICEF, the United Nations Foundation and WHO.
- The initiative is committed to achieving and maintaining a world without measles, rubella and congenital rubella syndrome.
- It was founded in 2001 and has helped vaccinate over 2.9 billion children and save over 21 million lives by increasing vaccination coverage, improving disease response, monitoring and evaluation, and building public confidence and demand for immunization.

Measles & Rubella

- Measles is a highly contagious virus, spread by contact with an infected person through coughing and sneezing.
- Measles weakens the immune system and lead to secondary health problems, such as pneumonia, blindness, diarrhea, and encephalitis.

Symptoms

- The initial symptoms occur 10-12 days after contracting the infection and include high fever, a runny nose, bloodshot eyes and the appearance of white spots on the inside of the mouth.
- Some of the most serious complications arising out of the disease include blindness, encephalitis (brain swelling), severe diarrhea, dehydration and severe respiratory infections such as pneumonia.
- The disease is still common in parts of Africa and Asia and is more likely among poorly nourished children, especially those who are deficient in vitamin A.
- **R0, the reproduction number for measles:**
- **R0 is the number of people who get infected by an individual who has the disease**
- **For measles it is somewhere between 12-18, which makes it the most contagious virus known**
- The disease is preventable through two doses of MR vaccine.

There are two types of measles:

Measles: This is the standard form caused by the rubella virus.

Rubella, or German measles: This is caused by the rubella virus.

Vaccination: The Measles-rubella (MR) vaccine

- MR vaccine is a live attenuated vaccine for both measles and rubella.

- It is safe and effective and provides long-term immunity for both diseases (mostly lifelong)

Health concerns related to Measles before Covid-19 outbreak

- Measles, a highly contagious disease, affects around 20 million people every year, the majority of whom are aged under five.
- Despite a cheap and readily available vaccine, measles cases have surged in recent years, largely in part to what the WHO terms "vaccine hesitancy".
- In 2018, 140,000 measles deaths, mostly among children and babies, were recorded -- most were preventable, meaning that the countries they occurred in had a vaccination program.
- The measles vaccine has been available for more than 50 years.
- In India, more than 1.3 million children acquire measles infection and around 49 000 infected children die each year, contributing nearly 36% to the global figures.
- Also, children in rich countries are not totally immune to this disease, since many parents (presumably a part of the anti-vaccination movement) refuse to get their children vaccinated.

Latest Update

- According to UN, due to the COVID-19 pandemic, the countries with inadequate healthcare systems are delaying measles immunisation campaigns.
- The corona virus pandemic, which has necessitated many prevention measures including strict lockdowns, has kept infants from getting routine immunisation services from some other diseases such as polio, yellow fever and cholera.
- As per WHO, Mass immunisation drives and routine vaccination for children are the key public health strategies against the disease. Therefore, delaying the campaigns affects these strategies, potentially putting the life of thousands of children at risk.

WHO interim guidelines

- On 26th March 2020, the WHO has released an interim guideline for carrying out immunisation activities during COVID-19.
- The guidelines says, if immunisation activities are negatively impacted during the pandemic, respective countries will need to design strategies for delivering "catch-up" vaccines after the outbreak subsides.
- Implementing this will require strategies to track and follow-up with individuals who missed getting vaccinated, assessing immunity gaps and re-establishing community demand.

- Further, it has advised that mass immunisation campaigns be “temporarily suspended” in light of the COVID-19 pandemic and that countries should monitor the necessity of delaying these campaigns at regular intervals.

MISCELLANEOUS and SCHEMES

❖ TARGETED LONG TERM REPO OPERATION (Source: Indian Express)

'Targeted' LTRO

- LTRO is a tool that lets banks borrow one to three-year funds from the central bank at the repo rate, by providing government securities with similar or higher tenure as collateral.
- It is called 'Targeted' LTRO as in this case, the central bank wants banks opting for funds under this option to be specifically invested in investment-grade corporate debt.
- Available at the policy repo rate for tenors up to three years, the funds availed under this facility would have to be deployed within 30 working days from the date of the operation.
- This helps banks get funds for a longer duration as compared to the short-term (up to 28 days) liquidity provided by the RBI through other tools such as liquidity adjustment facility (LAF) and marginal standing facility (MSF).
- Note: The banks will have to maintain the amount of specified securities for the amount received in LTRO in its HTM (Held to Maturity) book at all times until the maturity of LTRO.

Significance of LTRO for economy

- LTROs provide banks with access to cheaper capital from the RBI. This, in turn, encourages them to lend more and spur economic activity.
- They can also invest these long-term funds in assets that yield better returns to improve profitability.
- Also, as banks provide government securities as collateral, the demand for such government bonds increases and helps in lowering yield.

❖ INTEGRATED GOVERNEMENT ONLINE TRAINING (iGOT) (Source: Hindu)

The Government of India has launched a training module for management of COVID-19 named 'Integrated Government Online training' (iGOT) portal, which aims to enhance capacity building of front line workers to handle the pandemic efficiently.

- The module, named Integrated Govt. Online Training (iGOT), has been introduced on the Ministry of Human Resource Development's DIKSHA platform.
- The platform aims to train all frontline healthcare and COVID Warriors of India to meet the vision to care for those 'who care for the nation',
- Courses on iGOT have been launched for Doctors, Nurses, Paramedics, Hygiene Workers, Technicians, Auxiliary Nursing Midwives (ANMs), State Government Officers, Civil Defence Officers, Various Police Organisations, National Cadet Corps (NCC), NehruYuva Kendra Sangathan (NYKS), National Service Scheme, Indian Red Cross Society, Bharat Scouts and Guides and other volunteers at the stage.
- The platform currently hosts nine courses on topics given as below:
 - Basics of COVID
 - ICU Care and Ventilation Management
 - Clinical Management, Infection Prevention through PPE
 - Infection Control and Prevention
 - Quarantine and Isolation
 - Laboratory Sample Collection and Testing
 - Management of COVID 19 Cases
 - COVID 19 Training

DIKSHA Platform

- Digital Infrastructure Knowledge Sharing' (DIKSHA) platform by HRD Ministry is an online initiative for education and training.
- DIKSHA's population scale infrastructure was launched in 2017 and is already being used by more than one crore teachers and students across the country in 30+ states & UTs for curriculum-based education and training.
- DIKSHA already has explanation, practice and assessment content linked to NCERT and state curriculum.
- DIKSHA platform is well equipped to cater to unlimited demands of learning, any time, anywhere.
- Multiple states in the country besides NCERT & CBSE will be using it for online teacher training, conducting quizzes, doing learning activities to promote creative & critical thinking, as well as for ensuring continuity in curriculum linked education for students in these times.

Significance of the initiative

The uniqueness of the DIKSHA platform is its federated architecture which makes it possible for iGOT portal to leverage it and help train lakhs of 'Corona warriors' including government officials,

frontline health workers & volunteers from organizations like NCC, NSS, NYKS etc, to prepare them to fight against the pandemic

The portal will provide agencies like the Health Department and NCC with the ability to upload their content suited for its various users and users to take training using mobile app(diksha app) and online.

PETESBURG CLIMATE DIALOGUE

(Source: The Hindu)

The 11th Petersburg Climate Dialogue (PCD) took place in a virtual format and brought together ministers from 30 countries to discuss climate action.

- The Petersburg Climate Dialogue series was launched in 2010, after the Copenhagen Climate Change Conference, and has been held annually.
- The event is hosted annually by The Dialogue facilitates open discussions in small groups on key issues in international climate policy.
- The Dialogue is intended to "create a space for close and constructive exchanges among ministers" on climate action.

❖ OPERATION NAMASTE

(Source: PIB)

- Army Chief General Manoj Mukund Naravane launched initiative "Operation Namaste" to insulate the 1.3 million strong force from coronavirus infection and extend all possible assistance to the government in containing the pandemic.
- Under "Operation Namaste", the Army has issued series of directives to all its bases to insulate the force from the coronavirus.
- The Army headquarters issued a number of advisories in the last few weeks to deal with the situation.