

# Current Affairs MONTHLY



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**For HPAS & Other  
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**Mains**

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# GENERAL STUDIES 1.

## GEOGRAPHY

### India's deepening water stress

#### Context:

- The Ministry of Jal Shakti had announced an ambitious plan- JalJeevan Mission- to provide water connections to every household in India by 2024.
- In view of the ongoing erosion of water resources and an ever-increasing demand for water, the thrust should not be on promising water supply.
- Instead the aim should be towards protecting and conserving water resources on the one hand and minimising and enhancing efficiency of water usage on the other.

#### Water crisis in India

- According to the composite water management index released by the think tank NITI Aayog in 2019, 21 major cities (including Delhi, Bengaluru, Chennai, Hyderabad) were on the brink of exhausting groundwater resources, affecting about 100 million people.
- The study also points out that by 2030, the demand for water is projected to be twice the available supply.
- **Chennai crisis:** In 2019, many parts of the city went without piped water for months. Chennai remains a example of the impending tragedies brought about by the city's inability to meet the basic needs of citizens- drinking water, cooking and sanitation.
- Many have cited the poor rainfall received in Chennai in the previous year as one of the main reasons for the water crisis. Though it is true that rainfall was low, the ground-level steps (or missteps) have been equally responsible factors.
  - **Reasons behind: Lack of sustainable urban planning**
- The city has been built by incrementally encroaching floodplains and paving over lakes and wetlands that would have otherwise helped the process of recharging groundwater.
- The lack of space for water to percolate underground prevented rainwater from recharging the aquifers.
- This was further worsened by the loss of green cover (which would have otherwise helped water retention) to make way for infrastructure projects.

- It leads to flooding during normal rainfall due to stagnation, and on the other hand leads to drought-like conditions due to the prevention of underground water storage.

### **Rural Punjab crisis**

- The draft report of the Central Ground Water Board concluded that Punjab would be reduced to a desert in 25 years if the extraction of its groundwater resources continues mindlessly.
- 82% of Punjab's land area has seen a huge decline in groundwater levels, wherein 109 out of 138 administrative blocks have been placed in the 'over exploited' category.
- Groundwater extraction which was at 35% in the 1960s and 1970s, rose to 70% post the Green Revolution.
- Governments subsidised power for irrigation that left tubewells running for hours.
- Cultivation of water intensive crops such as paddy have further aggravated water depletion, even turning water saline.

### **Understanding sources used**

- One should see India's looming water crisis through the lens of 'urban' and 'rural'.
- It not only allows a better grasp of the causative factors but also enables a stronger grip on the strategies to be deployed to reverse the water crisis.
- In the rural areas, 80%-90% of the drinking water and 75% of the water used for agriculture is drawn from groundwater sources.
- In urban areas, 50%-60% of the water supply is drawn from groundwater sources. The remaining water is sourced from surface water resources such as rivers, lakes, tanks and reservoirs.

### **Way forward:**

- Participatory groundwater management approaches with its combination of water budgeting, aquifer recharging and community involvement.
- Need for synergy: Recently, the two Ministries of Water Resources, River Development and Ganga Rejuvenation and the Ministry of Drinking Water and Sanitation, were merged to form the Ministry of Jal Shakti in 2019.
- The Ministry of Water Resources must reconfigure its relationship with other Ministries and Departments (Urban Development, Local Self-Government and Environment).
- At the sectoral level, the Ministries and Departments of water resources must coordinate efforts with their counterparts in agriculture, the environment and rural development for greater convergence to achieve water and food security.
- At the disciplinary level, governance and management should increasingly interact and draw from the expertise of fields such as hydrology (watershed sustainability), hydrogeology (aquifer mapping and recharge) and agriculture sciences (water-sensitive crop choices and soil health).
- Enhanced integration and coordination through effective land and water zoning regulations that protect urban water bodies, groundwater sources, wetlands and green cover.



- Enhance waste water recycling and water recharge activities targeting aquifers and wells through rainwater harvesting.
- Surface water conservation including the many rivers and lakes which are in a critical and dying state due to encroachment, pollution, over-abstraction and obstruction of water flow by dams.
- As the expert committee constituted under the Union Water Resources Ministry drafts a new National Water Policy, one hopes it would be rooted in locus specific realities and allows greater flexibility for integrating the insights and work of multiple departments and disciplines making way for new configurations to sustainably manage the country's water resources.

**The Hindu Link:**

<https://www.thehindu.com/opinion/op-ed/finding-a-way-out-of-indias-deepening-water-stress/article37292441.ece>

**Question-** India's water crisis can be solved by amalgamation of conservation efforts with enhancing water use efficiency across various sectors. Elucidate.

## Chennai Floods

**Context:**

- Tamil Nadu is suffering the fury of the northeast monsoon with heavy floods forcing a near shutdown in Chennai.
- At least four people have died in the city after rainwater inundated large parts of the residential areas and commercial hubs.
- It is due to the low pressure formation in the Bay of Bengal, which caused the heavy downpour.
- As in 2015, an extreme weather event is blamed for the flooding — more heavy rainfall is predicted.
- Climate experts have warned that such extreme weather events are likely to be frequent in the coming years.
- Chennai is built on flat coastal floodplains.
- Wetlands - including natural and artificial drains such as rivers, streams and canals, and water bodies such as ponds, lakes and backwaters - are the city's insurance against heavy rains and cyclonic storm surges.

**Concerns:**

- The impact of climate change is worsened due to poor reservoir management. The root cause of the city's distress during rains lies in mismanagement of its water bodies. The unplanned growth of the city has led to the filling up of lakes and tanks and shrunk wetlands.
- A parliamentary committee that enquired into the cause of the 2015 floods was categorical in its report that "encroachment of lakes and riverbeds played a major role in causing massive floods in Chennai".
- Local mafia is involved in the "illegal business of usurping water bodies for real estate business".

- A mass rapid transport system has severely restricted the flow in Buckingham Canal, which was designed also as a protective barrier against floods and sea ingress.
- Over 300 lakes, tanks and canals have disappeared in the past decades and, according to the administration, over 1.5 lakh illegal constructions choke the cityscape.
- Uncontrolled urbanisation: The city's built-up area grew nine-fold - from 47sq km in 1980 to 402sq km in 2012 - even while area under wetlands declined from 186sq km to 71sq km during the same period.
- Chennai will have to reclaim at least a part of its lost water spaces and preserve whatever is left, including its two rivers which have been reduced to large drains, in order to better withstand the vagaries of climate-change-induced weather events.

#### **Way forward for urbanisation in India:**

- Wetland policy: We need to start paying attention to the management of our wetlands by involving local communities.
- In most of our lakes, the shallow ends, which often lie beyond the full tank level, have disappeared. These shallow ends are called wetlands.
- They are sometimes owned by private individuals, other times existing as ecological commons.
- Regardless of ownership, land use on even this small scale needs to be regulated by development control.
- Detailed documentation of wetlands and watersheds: Urban watersheds are micro ecological drainage systems, shaped by contours of terrain.
- We need to consider natural boundaries such as watersheds instead of governance boundaries like electoral wards for shaping a drainage plan.
- The Metropolitan Development Authorities, National Disaster Management Authority, State revenue and irrigation departments along with municipal corporations should be involved in such work together.
- Porous building materials: Our cities are becoming increasingly impervious to water, not just because of increasing built up but also because of hard, non-porous construction material that makes the soil impervious.
- To improve the city's capacity to absorb water, bioswales and retention systems, permeable material for roads and pavement, drainage systems can be used. It will allow storm water to trickle into the ground, green roofs and harvesting systems in buildings.
- Making Sponge cities : They absorb the rain water, which is then naturally filtered by the soil and allowed to reach urban aquifers.
- This water can be treated easily and used for city water supply.
- This implies building contiguous open green spaces, interconnected waterways, and channels and ponds across neighbourhoods that can naturally detain and filter water.
- It implies support for urban ecosystems, bio-diversity and newer cultural and recreational opportunities.

- These can all be delivered effectively through an urban mission along the lines of the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), National Heritage City Development and Augmentation Yojana (HRIDAY) and Smart Cities Mission.
- Investments can only be done in a mission mode organisation with active participation of civil society organisations at the metropolitan scale.
- Ban against terrain alteration: Builders, property owners, and public agencies have been flattening terrain and altering drainage routes. This causes irreversible damage.
- Terrain alteration needs to be strictly regulated and a ban on any further alteration of terrain needs to be introduced.
- Stop the blame: Acknowledging the role of different actors for the city can create a practical space to begin this work. The constant search for a scapegoat to blame should stop.
- We need to urgently rebuild our cities such that they have the sponginess to absorb and release water. Doing so will not just help control recurring floods but also respond to other fault lines, provide for water security, more green spaces, and will make the city resilient and sustainable.

**The Indian Express Link:**

<https://indianexpress.com/article/opinion/editorials/chennai-floods-weather-rain-7615607/>

**Question-** With respect to frequent flooding in Chennai, describe the link of urban flooding with uncontrolled urbanisation in India.

## Construction Projects & Himalayan Fragility

**Context:**

- The Supreme Court reserved its judgment on appeal by the Ministry of Defence (MoD) for relaxing its order specifying road width under the CharDhamMahamargVikasPariyojana (Char Dham Highway Development Project) of the Ministry of Road Transport and Highways.

### CHAR DHAM HIGHWAY PROJECT

• **Objective:**

- Widening of roads up to ten meters to enhance connectivity to Char-Dham shrines- Yamunotri, Gangotri, Badrinath, Kedarnath.
- Development 889 km National Highways

• **Implementation Agencies**

- Public Works Department (PWD, Uttarakhand)
- Border Roads Organization (BRO)
- National Highway and Infrastructure Development Corporation Ltd (NHIDCL)
- **Chamba Tunnel-**
- Border Roads Organisation (BRO) achieved the milestone by digging 440 m long Tunnel below Chamba town on Rishikesh-Dharasu road Highway (NH 94)

## NEED OF DEVELOPMENT IN THE REGION

### • **Security Interests**

- With China continuously scaling up its building activities along the Line of Actual Control (LAC) , the Indian Army needs to prepare itself for any unforeseen circumstances in future.
- The recent report by US Department of Defence on Chinese military also highlights the strength of People Liberation Army and its increasing hold along Indo- China border
- The region has terrain & altitude where the defence of the nation is extremely important. The mistakes of 1962 cannot be repeated, building and widening of roads is necessary to take up artillery and missiles
- Supreme Court also observed that defence of country cannot be compromised in name of environmental risks, there needs to be a balance

### • **Socio-Economic interests**

- The first phase of forest where's the extraction for development which led to widespread deforestation resulting in landslides and deprivation among people dependent on forest for survival
- This led to the Forest Conservation Act (1980) and supreme Court directions to check forest based industries. This resulted in a decline of state revenue from the forest.
- The development in the region is required to provide employment opportunities and decent standard of living to people

### • **Basic facilities to people**

- For providing people with adequate health and education facilities infrastructure is a prerequisite.

### • **Multiplier Effect**

- Increasing focus on infrastructure and connectivity would multiply into various benefits across different sector and boost the growth of Himalayan states

### • **Viable & sustainable forest based economy**

- To reap the benefits of unique Himalayan products there is a need for development in the region like storage facilities & efficient supply chain mechanisms ‘

### • **Enhance connectivity**

- To increase accessibility and connectivity due to geographical and topographical factors, there is a need of construction projects like Atal Tunnel which ensure all weather connectivity



## THREATS TO HIMALAYAN ECOSYSTEM

- **Affects the forests and also the forest based economy**
- The first phase of forest- the extraction for development which led to widespread deforestation resulting in landslides and deprivation among people dependent on forest for survival
- This led to activate of forest conservation act 1980 and supreme Court directions to check forest based industries
- Resulted into decline of state revenue from the forest.
- **National environment policy 2006**
- According to the policy, several measures to conserve the mountain ecosystems including land use planning ,watershed management ,farming methods and promotion of eco friendly tourism
- Talked about best practice norms for infrastructure construction in the mountain regions to minimise the damage to sensitive ecosystem
- To promote tourism and local employment one cannot turn blind eye to the danger various projects unleash on Himalayan ecosystem
- **Geographical Factors**
- Himalayas are young fold mountains that are tectonically active Kingdom of a guide and sensitive to the development activities
- Himalayan landscape with steep slopes and shop gradients is not inherently immune to human engineering
- **Threat to Mankind**
- It is a transcontinental mountain range facing various environmental issues with huge implications for survival for one third of all humans
- Being called third pole it is source of Asia major rivers and it is a key driver in regulating the climate change
- **Melting of glaciers**
- Because of increase in temperatures and melting of glacier ,it will hamper the rivers and trigger massive seasonal flooding followed by dry spells
- Uttarakhand would lose approximately 70-99 % of glaciers by 2100
- **Environmental Outlook and ethos**
- Human induced changes to the ecological parameters would have an impact on stream runoff erosional as well as depositional processes
- Indian Himalayan region is a home to 1000 species of flowering plants which is about 50% of all flowering plants of India, with the vast green cover it is a major sink of carbon dioxide
- Attention towards vulnerability of biological and physical features of Himalayan mountain system is the need of hour

- **Forest loss**
- In Char Dham project, about 500 8.6 hectares of forest area would be diverted to non-forestry purposes
- Around 33000 to 43000 trees would be cut down to build roads
- According to estimates, Uttarakhand would take 40-45 years to recover from this loss
- Road Edge Effect- it is an ecological phenomena that wraps wide areas and creates ecological pressures on nearby flora and fauna
- **Road blockages and landslides**
- Cutting out trees soil rocks from hillsides would make the entire slope unstable
- Without fresh plantations the bare hillsides would be more vulnerable to disasters like landslides

#### WAY FORWARD

- Mission Document on sustaining Himalayan ecosystem by the Ministry of Science& Technology (2010) talks about green road construction. Considering that roads are the lifeline of remote regions of the mountains it said that construction must consider the regions environmental fragility as well. The balance between both has to be maintained.

#### The Indian Express Link:

<https://indianexpress.com/article/explained/char-dham-road-debate-supreme-court-army-7618880/>

**Question-** Infrastructure projects in the Himalayas need to be taken up balancing economic prospects with environmental concerns. Comment.

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## SOCIAL ISSUES

### Women Entrepreneurship

#### Context:

- The story of Falguni Nayar's Nykaa can inspire much more women to become job creators. India needs much more entrepreneurs especially for small towns and hinterlands to dismantle patriarchy.

#### DATA/REPORTS

- The United Nations development programme in its report on Gender Inequality observed that women spend 2.4 more hours per day on average than men on unpaid and domestic work.
- Effect of pandemic- women are more likely to live in extreme poverty than men by 25%
- According to estimates by International Labour Organisation, global female employment is at 19% more risk than males
- According to World Economic Forum's Gender Gap Report, 2021, gender gap widened in India by 3%
- Also share of women declined to 29.2 percent in professional and technical roles
- Women at top positions -Only 8.9 % organisations have top female managers and nearly 14.6 % of women occupy senior and managerial positions
- Index of women entrepreneurs- India is ranked at 52nd position out of 57 surveyed countries
- Innovation, economic growth and job creation
- According to a study measures to close gender gap in India would lead to 6.8 % gain in GDP
- According to estimations by advancing women's equality India could boost its GDP by 16% in 2025
- More entrepreneurship would help in building economic potential of women and does achievement of sustainable development goals by 2030

#### CAUSES OF LESS NUMBER OF WOMEN ENTREPRENEURS

##### Lack of education

- The states with relatively higher literacy rates also have more number of women entrepreneurs
- The top 5 states with highest percentage of women entrepreneurs in Tamil Nadu, Kerala, Andhra Pradesh, West Bengal and Maharashtra

##### Unconscious gender bias

- The intentional and automatic mental associations based on gender due to traditions, norms & values ,culture and experience have a major role in impeding the progress of women entrepreneurs
- Automatic association enables quick assessment and often leads to decision making unfavourable towards women

### **Business is not women's world**

- The stereotype of lack of confidence in business skills of women and a belief in the society that men are more competent in financial matters are also some of major roadblocks for women entrepreneurs
- Women are often treated with less respect and such attitudes also reflect in the communications

### **Self-doubt among women**

- Because of the society and the environment in which women work it is natural for them to have a feeling of low confidence in their own business skills
- It is common to see even highly successful women struggling with self-doubt and underestimating their abilities while opposite is true for men

### **Financial hurdles**

- Entrepreneurship involves risk taking and women often assumed to be less willing to take risks than men
- Due to stereotypes, fewer women actively approach investors and are reluctant to divest stakes.
- Women are differently perceived than men even when they approach investors and also investors prefer pitches presented by men as compared to women in spite of having similar content
- Indian women rarely own property to be used as collateral for loans.
- About 79% of women owned ventures are self-financed families are often hesitant to provide financial support to their daughters' entrepreneur ventures

### **Alienation of women in corporate culture**

- Masculine corporate cultures, ecosystem of startups being characterized by 'bro culture' of 'alpha males' lacks empathy and talking about emotional challenges is perceived as weakness
- Women do not feel comfortable in the prominent industry networks and their not being part of such networks cost them important opportunities to mingle and connect with people in the market
- Thus, women entrepreneurs have to struggle much more than their male counterparts to get access into the market

### **Business is a man's domain**

- The predominant social norms expect women to give utmost priority to their home and not career
- On an average women spend five times as much time than men on household work, care and other unpaid activities
- As it is said the most important career choice that women make is who they choose to marry because family support is considered as a core success factor for Indian female entrepreneurs



### **Child care**

- When women entrepreneurs become mothers, they have to face another set of challenges. There are various negative perceptions in the society labelling mothers working leaving their children at home as selfish and are made to feel guilty
- Allowing women to work with more flexible hours and space would be a good opportunity and will enable them to perceive entrepreneurial careers while reconciling with duties at home

### **Safety at workplaces**

- Women women safety at workplaces and also at public places like while travelling are also challenges which hold back women
- The perception of danger reinforces social norms that restrict women's mobility and thereby economic participation and freedom

### **NITI AAYOG'S WOMEN ENTREPRENEURSHIP PLATFORM (WEP)**

- NITI Aayog in partnership with SIDBI has launched this platform to provide an ecosystem for budding and existing women entrepreneurs across the country

### **It is based on three pillars**

- Iccha Shakti - motivating aspiring entrepreneurs to start their business
- Gyaan Shakti -providing knowledge and ecosystem support to women entrepreneurs to help them foster entrepreneurship
- Karma Shakti - providing hands-on support to entrepreneurs in setting-up and scaling up businesses

### **WHAT NEEDS TO BE DONE**

#### **Access to education**

- The broad gender gap in economic participation and opportunity is also due to low women entrepreneurship
- Equal access to education and encouragement to women to use their required skills, policies aiming at more women in senior and leadership roles will enable women to start their own businesses

#### **Awareness of unconscious bias and disadvantage to women**

- Women need to deal with negative attitude since changes in mindsets take time it cannot happen overnight

#### **Sharing success stories**

- Sharing the stories on various social and traditional media can provide inspiration and proof that business can be a women's world to and strengthen the confidence of young female entrepreneurs

#### **Safe work environment**

- A more inclusive, non-discriminatory and safe work environment will help in the retention of qualified women.

- The measures must ensure that women can commute between their offices and homes without any mental load of worrying about their security

#### Support from family and social circles

- Household and care duty should not be considered as women's sole responsibility
- Granting maternity benefits to women entrepreneurs, improving childcare and cultivating social acceptance will help women in combining their entrepreneurial pursuits and family responsibilities

#### The Indian Express Link:

<https://indianexpress.com/article/opinion/editorials/nykaa-falguni-nayar-entrepreneurship->

**Question:** Critically evaluate the status, challenges and opportunities for women entrepreneurs in India.

### Onus of contraception still on women, NFHS-5 figures show

#### Context:

- According to the latest National Family Health Survey-5 (2019-21), less than one in 10 men use condoms in India, while nearly four in 10 women undergo sterilisation to avoid pregnancy, which also shows that female sterilisation continues to be on the rise.

#### Key Findings

- Only 9.5% of men used condoms but 37.9% of women underwent sterilisation, according to the NFHS.
- Though condom use in urban India is better than rural parts, the overall trend is vastly similar — 7.6% men in rural India and 13.6% men in urban India use condoms, while 38.7% women in rural India and 36.3% in urban India underwent sterilisation.
- Female sterilisation has gone up for the entire country from 36% in NFHS-4 (2015-16) to 37.9% in NFHS-5.
- In 19 of the 36 States and Union Territories, female sterilisation increased in NFHS-5 from that of NFHS-4. The rise was more than 5 percentage points in 11 States and UTs.
- The States with the highest increase in female sterilisation were Bihar (14.1% points to 34.8%), Goa (13.6% points to 29.9%) and Madhya Pradesh (9.7% points to 51.9%) .
- In 23 of the 36 States and UTs for which data were available, condom use was less than 10%. The State with the highest condom use was Uttarakhand (25.6%) and the Union Territory Chandigarh (31.1%).

- The silver lining, however, is that use of condoms has gone up between the two surveys — from 5.6% to 9.5%.
- The refusal to use condoms is not due to lack of awareness — NFHS-5 data shows that 82% men were aware that consistent use of condoms can reduce the chance of getting HIV/AIDS.
- Studies, however, show that promotion of condoms for protection from HIV/AIDS creates confusion in their acceptance among married couples.

### Many stereotypes

- Condom usage is also low because family planning is considered the responsibility of women. For men, sex stands purely for pleasure. For women, it is often either about procreation, or involves the fear of getting pregnant. Men also believe that condoms reduce pleasure.
- Male sterilisation's share in family planning methods has always been extremely low, despite the fact that it's safer, quicker and easier.
- People believe that it can affect their virility and weaken them physically, rendering them unfit to work. These are myths and misconceptions that need to be addressed.
- Female sterilisation is also the preferred choice of contraception over methods such as pills (5.1%), injectables (0.6%) and intra-uterine devices (IUD) and post-partum intra-uterine devices (2.1%).

### Family planning initiatives in India:

- Coercive policies: Between 1975 and 1994, family planning workers had targets they were expected to meet regarding sterilisations, condom distribution and intrauterine device (IUD) insertion which led to explicit or implicit coercion.
- Following the Cairo conference on Population and Development in 1994, these targets were abandoned.
- Punitive policies include denial of maternity leave for third and subsequent births, limiting benefits of maternity schemes and ineligibility to contest in local body elections for individuals with large families. These policies were mostly ignored in practice.

#### **The Hindu Link:**

<https://www.thehindu.com/todays-paper/tp-national/onus-of-contraception-still-on-women-nfhs-5-figures-show/article37763088.ece>

**Question-** Population control needs emphasising adoption of male contraception on equal levels as female contraception. Explain.

# GENERAL STUDIES 2.

## INTERNATIONAL RELATIONS

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### AUKUS and the Indo-Pacific

#### Context:

- The trilateral security agreement between Australia, the United Kingdom and the United States (AUKUS) continues to be in the news.
- AUKUS is based on a shared commitment of its three members to deepening diplomatic, security and defence cooperation in the Indo-Pacific to meet the challenges of the 21st century.
- China has criticised AUKUS as an “exclusive bloc” that gravely undermines regional peace and security and reflects a Cold War mentality.

#### Reason behind formation of AUKUS

- The rise of China, its rapid militarisation and aggressive behaviour, is the trigger behind AUKUS.
- Historical defence partnerships: The transfer of sensitive submarine technology by the U.S. to the U.K. is an arrangement based on their long-standing Mutual Defence Agreement of 1958.
- The U.S. and the U.K. have fought together as allies, together with Australia, in the Second World War.
- The U.S. shared nuclear weapons technology with the U.K. following the merging of the latter’s nuclear weapons programme with the American Manhattan Project as early as in 1943.
- The Manhattan Project was a research and development undertaking during World War II that produced the first nuclear weapons. It was led by the United States with the support of the United Kingdom and Canada.
- The first U.K. test was conducted in 1952 in the Montebello Islands in Australia
- Engagement with China: For three nations, their relations with China have recently been marked by a bad phase, especially with Australia.
- While China remains Australia's largest trading partner, relations between the two sides have been hit by a trade war. China has imposed stiff tariffs on Australian barley and wine exports and created barriers for products such as Timber and coal.



- In 2017 and 2019, the Talisman Sabre exercises (a biennial exercise that is led by either Australia or the U.S.), conducted by the Royal Australian Navy, were tagged by a Chinese People's Liberation Army Navy (PLAN) vessel.
- China also used the same type of vessel to monitor the multilateral Rim of the Pacific (RIMPAC) exercise in 2018.
- RIMPAC is the world's largest international maritime warfare exercise
- It is a biennial exercise which is hosted and administered by the United States Navy's Indo-Pacific Command.

### **Quad and AUKUS**

- The Quadrilateral Security Dialogue is a strategic dialogue between the United States, India, Japan and Australia that is maintained by talks between member countries.
- The Quad and AUKUS are distinct, yet complementary.
- Whereas the Quad initiatives engage with the Indian and the Pacific Oceans, the AUKUS is Pacific-centric oriented.
- Such a strategy could potentially strengthen Japan's security as well as that of Taiwan in the face of China's mounting aggression.
- Shifting AUKUS's focus to the Pacific Ocean could reassure ASEAN nations.
- It could also maintain the balance of power in the Indian Ocean. China's potent military capacities must be taken seriously.

### **Concerns for AUKUS**

- The ASEAN factor: There is also the matter of Association of Southeast Asian Nations (ASEAN) disunity over the emergence of AUKUS.
- The South-east Asian nations have been unable to agree on other issues before, such as developments in Myanmar or the strategic threats posed by China.
- While AUKUS is clearly an attempt by the U.S. to bolster regional security, including securing Australia's seaborne trade, any sudden increase in Australia's naval capabilities is bound to cause unease in the region.
- China is trying to exploit ASEAN's concerns amidst worsening U.S.-China regional rivalry.
- Australia reassured the region of its commitment to ASEAN centrality and its continued support for the South Pacific Nuclear-Free Zone Treaty as well as the Treaty of Southeast Asia Nuclear Weapon-Free Zone.

### **Significance of AUKUS**

- China's naval power is enabling it to challenge U.S. dominance in the Pacific beyond the first island chain.
- China has a large and growing undersea fleet, including attack submarines, both nuclear-powered and diesel-electric.

- The U.S. is tempted to look at effective means to militarily counter China.
- The Quad structure currently has neither the mandate nor the capability to achieve this.
- There are limited options in the economic arena with China already having emerged as a global economic powerhouse.
- AUKUS, though, provides an opportunity to the U.S. to place proxy submarine forces to limit China's forays, especially in the Pacific Ocean.

### Future of AUKUS

- The AUKUS joint statement clearly acknowledges that trilateral defence ties are decades old, and that AUKUS aims to further joint capabilities and interoperability.
- The word "further" is key, since defence cooperation already exists. The other areas covered are cyber capabilities, artificial intelligence and quantum technologies, apart from undersea capabilities.
- Elements in the broader agenda provide opportunities to the U.S., the U.K. and Australia to engage the regional countries.
- There are clear indications that New Zealand is open to cooperation with AUKUS in such areas, especially cyber, its nuclear-averse record notwithstanding.
- All three nations will also play a major role in U.S.-led programmes such as Build Back Better World, Blue Dot Network and Clean Network, to meet the challenge of China's Belt and Road Initiative.

#### The Hindu Link:

<https://www.thehindu.com/opinion/op-ed/aukus-could-rock-chinas-boat-in-the-indo-pacific/article37372664.ece>

**Question-** Describe impact of AUKUS and Quad security agreements on India's interest in the Indo pacific.

## Inclusive maritime region must

### Context:

- Recently the Defence Secretary of India stated that a free, open and inclusive maritime region, where legitimate interests of all nations must be respected, is imperative to achieving high growth.

### Background

- The Navy chiefs and heads of maritime agencies of Bangladesh, Comoros, Indonesia, Madagascar, Malaysia, the Maldives, Mauritius, Myanmar, the Seychelles, Singapore, Sri Lanka and Thailand are taking part in the conclave.
- The theme for this year's edition is "Maritime security and emerging non-traditional threats: a case for proactive role for IOR Navies".

- India hoped that its maritime neighbours understood, and were sensitive to, India's "legitimate maritime security concerns".

#### **Concerns raised in the conclave**

- India cited that the "Unprecedented expansion" of conventional Navies could start a "new genre" of arms race.
- Region cannot ignore the non-traditional threats, and the impact of expansion at an unprecedented speed of conventional Navies in the Pacific.
- Indian Ocean Region (IOR) nations are also witnessing enhancement of certain maritime presence and passages in the region, which may not always be innocent. The negative effects of such rapid expansion are felt far beyond the Pacific.
- China has not only increased its forays into the Indian Ocean Region but has also set up a base in Djibouti and is expanding its Navy at an unprecedented rate.
- The joint coastal radar surveillance systems in coordination with countries in the region and other cooperative efforts.
- Disaster relief
- While seas open the doors for economic progress, the region is one of the most disaster-prone areas causing enormous destruction.
- Listing out several instances where the Navy was the first responder in case of natural disasters.
- The Navy would continue to work for Humanitarian Assistance and Disaster Relief as first responder and net security provider.

#### **India's request to the nations of the region**

- India emphasis on working with its partners on improving Exclusive Economic Zones (EEZ) surveillance.
- India has supplied equipment, vessels and aircraft to friends like Vietnam, Mozambique, the Maldives, Mauritius, Seychelles, Comoros, Bangladesh and Myanmar.
- India is willing to work with partners in upgrading maritime hardware and software.
- The Navy chief laid emphasis on common efforts on information exchange for maritime domain awareness in the region and capacity building.
- India's efforts are spearheaded by the Information Fusion Centre for IOR (IFC-IOR) located in Gurugram which also has several international liaison officers.
- For a secure and prosperous future, it was important to adhere to international rules and laws and understand each other's interests and sensitivities and act accordingly.
- India was in the process of making a Standard Operating Procedure for dealing with disasters in the Asia-Pacific which would be shared with all nations concerned.
- India also hopes this will benefit our collective preparedness to deal with these calamities.

#### **Significance of oceans for India**

- With a long coastline and large island chains spread-eagled across the Indian Ocean, India has a natural seaward orientation, with key sea lanes of communication coursing through its surrounding seas.
- Ancient maritime traditions: In enunciating five principles, he linked free and open trade to India's civilisational ethos.
- India's maritime trade with Mesopotamia 4,500 years ago. Lothal was a key maritime centre of the Indus Valley civilisation.
- Kutch and Kathiawar as well as the Malabar coast enjoyed ancient links to Africa.
- Buddhism and Hinduism spread to South-east Asia by the maritime route.
- Even Islam took the maritime route from India to South-east Asia.
- Dispute settlement: The Prime Minister advocated peaceful settlement of maritime disputes on the basis of international law.
- India's acceptance of the award by the Permanent Court of Arbitration in 2014 paved the way for India and Bangladesh to put aside their maritime dispute and forge even closer ties. This should be an example to others in the region.
- In 2016, China summarily rejected the Permanent Court of Arbitration ruling in favour of the Philippines.
- India's role as 'first responder' in the Indian Ocean, whether in thwarting piracy or providing relief after the Boxing Day tsunami in 2004, is well- documented.
- The relevance of SAGAR (Security And Growth For All In The Region).
- The election of the Director General of Indian Coast Guard as the executive director of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) Information Sharing Centre, Singapore. is an endorsement of India's contributions.
- India now has white shipping agreements with several countries.
- The Indian Navy's state-of-the-art Information Fusion Centre-Indian Ocean Region (IFC-IOR) based in Gurugram hosts officers from the United States, Japan, France, Australia and the United Kingdom.
- Environmental concerns: Oceans have been overwhelmed by plastic waste which chokes all forms of marine life. This, in turn, poisons the entire food chain and imperils the lives of millions.
- The Indian Coast Guard's operational reach and capability has vastly improved in dealing with environmental hazards and piracy.
- Development of connectivity and infrastructure: There are heightened concerns today over China's Belt and Road Initiative (BRI).
- India stands for openness and transparency in the execution of projects, based on local priorities, with in-built fiscal viability and environmental sustainability.
- The U.S., Japan and Australia are also promoting better standards for global infrastructure through the Blue Dot Network.



**The Hindu Link:**

<https://www.thehindu.com/todays-paper/tp-national/free-open-maritime-region-imperative/article37389215.ece>

**Question-** A free, open and inclusive maritime region is both favourable and necessity for Indian Ocean littoral states. Comment.

## India needs a new, integrated approach to Eurasia

**Context:**

- India's National Security Advisor has invited his counterparts from Pakistan, Iran, Central Asia, Russia, and China to join discussion on Afghanistan.
- This week's consultations in Delhi on the crisis in Afghanistan among the region's top security policymakers, following the US withdrawal, is part of developing a Eurasian strategy.
- Pakistan's reluctance to engage with India reinforces the urgency of an Indian strategy to deal with Eurasia.

**Indo-Pacific and Eurasia**

- The Indo-Pacific describes the long stretch of tropical waters from the east coast of Africa to the central Pacific.
- After years of self-doubt, Delhi has made the Indo-Pacific integral to India's foreign and security policies.
- The strategic alliance Quad or the Quadrilateral forum that brings India together with Australia, Japan and the US, highly impacts the Indo-Pacific debate.
- Eurasia is the name of a tectonic plate that lies under much of Europe and Asia.
- India must now devote high energy to the development of a "Eurasian" policy.
- If the Indo-Pacific is about Delhi's new maritime geopolitics, Eurasia involves the reorientation of India's continental strategy.
- As in the Indo-Pacific, so in Eurasia, there is no shared international understanding of what constitutes the region.
- In Russia's definition, Eurasia covers the former territories of the Soviet Union, which collapsed in 1991.
- It is about Russia's political claim to a sphere of influence in its "near abroad".
- Then there are various older terms like "inner Asia" and "Central Asia" that cover parts of the region.
- There is a deep connection between Muslim Central Asia and West Asia, therefore the term "Greater Middle East" is used to describe parts of this region.

- For India it makes sense to use the broadest possible definition of Eurasia in reimagining the region.

### **Dynamics of Eurasian politics**

- The most important development in Eurasia today is the dramatic rise of China and its growing strategic assertiveness, expanding economic power and rising political influence.
- Beijing is
  - adopting muscular approach to the long and disputed border with Bhutan and India,
  - hoping for security presence in Tajikistan,
  - actively searching for a larger role in Afghanistan, and a greater say in the affairs of the broader sub-Himalayan region
- As the world's second-largest economy, China's commercial influence is felt across the world.
- Physical proximity multiplies China's economic impact on the inner Asian regions.
- The impressive expansion of China's Belt and Road initiative across central Asia and Russia, onto the shores of the Atlantic, and Europe's growing economic interdependence with China have added to Beijing's powerful support system in Eurasia.
- China is deepening its alliance with Russia. Russia's disputes with Europe and America have increased Moscow's reliance on Beijing.
- Shift in USA's Eurasian policy
  - Washington has begun to rethink its strategic commitments to Eurasia. The US withdrawal from Afghanistan is just the beginning of this rethinking.
  - Europe has had a massive deployment of US military resources since the Second World War. Washington and Europe are now in the middle of an important debate on how to rebalance the trans-Atlantic responsibilities for Europe's collective defence.
- Europe must necessarily take on a larger regional Eurasian security role. More broadly, regional powers are going to reshape Eurasia.

### **Significance of Indo-Eurasia relations**

- India has certainly dealt with Eurasia's constituent spaces separately over the decades. What Delhi now needs is an integrated approach to Eurasia. Like the Indo-Pacific, Eurasia is new to India's strategic discourse.
- Cultural significance: There are references to India's ancient civilisational links with Eurasia. The collaboration between the Sangha and the Shreni in the Buddhist era produced lasting interaction between the two regions.
- Historical ties: The arrival of the British in India and the consolidation of the Raj as a territorial entity in the subcontinent saw the outward projection of India's influence into Central Asia.
- British rivalry with Russia during the Great Game in the 19th and early 20th centuries put Eurasian geopolitics at the top of undivided India's security agenda. The Great Game was a political and diplomatic confrontation that existed for most of the 19th century and beginning of the 20th century

between the British Empire and the Russian Empire over Afghanistan and neighbouring territories in Central and South Asia. It also had direct consequences in Persia and British India.

- The Partition of the subcontinent: This event physically disconnected India from inner Asia. It also cut India off from Eurasian geopolitics.

#### **Challenges:**

- India will surely encounter many regional contradictions in each of the three areas — between and among America, Europe, Russia, China, Iran, and the Arab Gulf.
- Pakistan is the geographic limitation and a challenge to an expanded Indian role in Eurasian geopolitics.
- Turkey's alliance with Pakistan is hostile to Delhi.
- India's drift towards Russia: Before independence, many Indian nationalists turned to Europe to secure the nation's liberation from British colonialism.
- After independence, Delhi's drift towards an alliance with Moscow saw India neglect Europe's strategic significance.
- As in the Indo-Pacific, so in Eurasia, Delhi should not let these contradictions hold India back.

#### **Way forward:**

- Intensify the dialogue on Eurasian security with Russia: While Indo-Russian differences on the Indo-Pacific, the Quad, China, and the Taliban are real, Delhi and Moscow must get together on Afghanistan and widen cooperation on continental Eurasian security.
- Increasing Indian collaboration with both Persia and Arabia: Persia's location makes it critical for the future of Afghanistan and Central Asia.
- The religious influence of Arabia and the commercial weight of the Gulf capital are quite consequential in the region.
- India's partnerships with Persia and Arabia are also critical in overcoming Turkey's alliance with Pakistan that is hostile to Delhi.
- Put Europe back into India's continental diplomacy: As India now steps up its engagement with Europe, the time has come for it to begin a strategic conversation with the European Union on Eurasian security. This will be a natural complement to the engagement between India and Europe on the Indo-Pacific.
- India's Eurasian policy must necessarily involve greater engagement with both the European Union and the North Atlantic Treaty Organisation.
- A dedicated military office in the Indian mission to Brussels, where both the European Union (EU) and North Atlantic Treaty Organization (NATO) are headquartered, will be a crucial step towards a sustained security dialogue with Europe.
- The European Union is a group of European countries that operate as a cohesive economic and political block.
- NATO was completely successful in its mission of protecting the "Euro-Atlantic area" from Soviet expansion and preventing war between the two superpowers.

- The current flux in Eurasian geopolitics will lessen some of the current contradictions and generate some new antinomies in the days ahead. But the key for India lies in greater strategic activism that opens opportunities in all directions in Eurasia.

**The Indian Express Link:**

<https://indianexpress.com/article/opinion/columns/india-needs-a-new-integrated-approach-to-eurasia-7613805/>

**Question-** Describe the significance of Eurasian region for India's economic and security interests.

## Non Alignment Movement (NAM)

**Context:**

- The 60th anniversary of the Non-Aligned Movement prompts a reflection on Jawaharlal Nehru's major contribution to the field of international relations. The concept of not aligning a country's policy with others can be traced to the Congress of Vienna of (1814-15) when the neutrality of Switzerland, by which it would keep out of others' conflicts, was recognised.

**NAM & ITS PRINCIPLES**

- Non alignment movement was initiated by India, Egypt, Yugoslavia, Ghana and Indonesia in 1961
- The idea of the leaders of all countries was that of neutrality, neither to help USA or USSR
- Bandung Conference -The basic concept of the group originated in 1955 during the Asia-Africa Bandung Conference held in Indonesia.
- Interests of developing countries-The movement represented the interests and concerns of developing countries to protect their autonomy.
- Membership- the condition was that the country's party to NAM could not be part of any multilateral military alliance for bilateral military agreement with global powers involved in the power conflicts.

**Largely Guided By Panchsheel Principles**

- United Nations and international law -to abide by the principles enshrined in charter of United Nations and international law
- Respect sovereignty, territorial integrity, and diversity of all members states
- Conflicts should be settled peacefully as per charter of United Nations
- Despite the differences in the political social and economic systems of various members there must be basic mutual respect and equality
- Work towards promotion of shared interests and values
- Right of individual or collective self defence as per the charter of United Nations



- Non interference in the internal affairs of the member states and respect for sovereignty
- Promotion of multilateral world order and solution of problems through discussions and dialogue

### **NAM IN COLD WAR ERA**

- The movement favoured the process of decolonization and hence helped countries achieve freedom. It also aided in end of Apartheid
- It supported global disarmament and advocated for global peace and cooperation
- It favoured the principles enshrined in the Declaration of establishment of new economic order by United Nations General Assembly
- The message of the movement was to shape a new international order free from war, poverty, intolerance and injustice
- It favoured system based on principles of peaceful coexistence and genuine interdependence, a world which takes into account the diversity of social systems and culture

### **Shortcomings of NAM**

- It could not prevent Indo Pakistan and Sino Indian wars
- The members of NAM did not adopt a supportive position towards India during the war. Ghana and Indonesia favoured China during the Indo- China War of 1962. Also in 1965 and 1971, Indonesia and Egypt lent their support to Pakistan
- After the end of cold war and dismantling of USSR, the NAM could not adopt a broader perspective of issues

### **NAM AND INDIA**

- Being a founding member India was an active participant till 1970s tilt towards erstwhile USSR led to doubts among small nations which led to joining of either blocs by the members.
- Disintegration of cold war structures India's new economic policy of 1991 and inclination towards US questioned the relevance and importance of NAM for India
- In 2016 the prime minister's kept the 17th non aligned movement summit in Venezuela second time when India did not participate in the conference
- India along with most of the NAM countries have aligned themselves to the market based liberal economic order and reaped benefits
- India accepted the G20 membership and has also declared itself a nuclear state though India believes in No First Use Policy
- India joined QUAD (US, India, Australia, Japan) which is considered as anti China grouping as well as SCO (Shanghai Cooperation Organization) led by China to establish a balance new and old global powers
- India believes in the principles of multilateral world which is the foundational value of NAM

### **WAY FORWARD**

- Following principles of Declaration of Establishment of New International Economic order can act as a guiding light in today's world as well-
- Sovereign equality of States, self-determination of all peoples, inadmissibility of the acquisition of territories by force, territorial integrity and non-interference in the internal affairs of other States.
- The broadest cooperation of all the States members of the international community, based on equity, whereby the prevailing disparities in the world may be banished and prosperity secured for all.
- Full and effective participation on the basis of equality of all countries in the solving of world economic problems in the common interest of all countries,
- The right of every country to adopt the economic and social system that it deems the most appropriate for its own development and not to be subjected to discrimination of any kind as a result.
- Full permanent sovereignty of every State over its natural resources and all economic activities
- NAM can act as a platform where India by use of its soft power approach can play a leadership role to build consensus on various issues like terrorism, reforms in multilateral organizations, climate change etc

**The Hindu Link:**

<https://www.thehindu.com/opinion/op-ed/nam-at-60-marks-an-age-of-indian-alignment/article37464907.ece>

**Question-** Non Alignment Movement (NAM) principles can act as guiding force in present world order as well. Comment.

## The Association of Southeast Asian Nations (ASEAN)

**Context:**

- A Chinese envoy has lobbied Southeast Asian nations to let Myanmar's military ruler attend a regional summit being hosted by China's President next week but has met stiff opposition.

### THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN)

- It is a regional organization established for the promotion of political & social stability amid rising tensions among the Asia-Pacific's states.
- It is an intergovernmental organization of ten Southeast Asian countries: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

### PRINCIPLES OF ASEAN

- Mutual respect for the independence, sovereignty, equality, territorial integrity, and national identity of all nations

- The right of every State to lead its national existence free from external interference, subversion, or coercion
- Non-interference in the internal affairs of one another
- Settlement of differences or disputes in a peaceful manner
- Renunciation of the threat or use of force
- Effective cooperation among themselves

### **INSTITUTIONAL MECHANISM**

- Chairmanship of ASEAN- based on the alphabetical order of the English names rotates annually among the member states.
- ASEAN Summit: It is the supreme policy-making body that sets the direction for ASEAN policies & objectives. According to the charter, it meets twice a year.
- ASEAN Ministerial Councils: There are 4 ministerial councils to support ASEAN-
- ASEAN Coordinating Council (ACC)
- ASEAN Political-Security Community Council
- ASEAN Economic Community Council
- ASEAN Socio-Cultural Community Council

Decision Making: Consultation & consensus are primary modes of decision-making at ASEAN

### **ASEAN-LED FORUMS**

- ASEAN Regional Forum (ARF): the twenty-seven-member multilateral grouping was launched in 1993 to develop and facilitate cooperation on political & security issues for regional confidence-building & preventive diplomacy.
- ASEAN Plus Three: It is a consultative group consisting of ASEAN's ten members along with China, Japan, & South Korea initiated in 1997
- East Asia Summit (EAS): The summit was first held in 2005. It aims to promote security and prosperity in the region. Heads from ASEAN, Australia, China, India, Japan, New Zealand, Russia, South Korea, and the United States usually attend this summit

### **SIGNIFICANCE OF ASEAN**

- As compared to what its members could have achieved individually, ASEAN commands far greater influence on Asia-Pacific trade, political, and security issues
- Demographic dividend – It consists of the third-largest population in the world, of which more than half is below 30years of age.
- Economic:
- The third-largest market in the world - larger than EU and North American markets.

- The sixth-largest economy in the world, Third in Asia.
- Free-trade agreements (FTAs) with China, Japan, South Korea, India, Australia and New Zealand.
- 4th most popular investment destination globally.
- The rising importance of trade to ASEAN's economic prospects led to increasing in its share of global exports from only 2 % in 1967 to 7 % by 2016
- The transport and connectivity potential has been increased by the ASEAN Single Aviation Market & Open Skies policies
- By building much-needed norms and fostering a neutral environment to address shared challenges ASEAN has contributed to regional stability

### CHALLENGES

- Inequality between rich and poor ASEAN member states -Cambodia's per capita GDP is the lowest at less than \$1,300, while Singapore boasts the highest GDP per capita—nearly \$53,000 (2016)
- The less developed countries could not incorporate many regional initiatives into national plans since they faced resource constraints to implement the regional commitments.
- The political systems of members are equally mixed with democracies, communist, as well as authoritarian states.
- The rifts in the organization have been exposed by the issue of the South China Sea. It has not been able to negotiate a unified approach with regards to China
- The organization had divided opinion over some major issues of human rights like Violence against the Rohingya in Myanmar
- The difficult problems have been avoided rather than confronted because of emphasis on consensus which sometimes makes it a chief drawback
- Whether it be in the economic or political spheres there is no efficient dispute-settlement mechanism

### INDIA AND ASEAN

- Two of the largest and most prosperous entities
- India's present GDP amounts to the US \$3.4 trillion, while the combined GDP of the ASEAN countries is over US \$4 trillion
- Both ASEAN and India reached 5-7 per cent growth rates over the past two decades, with India slightly ahead owing to its rising status.
- India's population is approximately 1.3 trillion people, while ASEAN's is slightly below half of India
- Rising powers in the Asian regional environment
- They have the capability and the capacities to command remarkable influence, which may eventually be on par with their contemporaries such as the United States, China, the European Union, and Japan.
- Association between India and ASEAN

- India became a sectoral dialogue partner of ASEAN in 1992, which was followed by an elevation to the apex-level full dialogue partnership, three years later.
- India also became a member of the influential ASEAN-adjunct regional conference, the ASEAN Regional Forum (ARF), which focuses on political and security dimensions for ASEAN
- Full dialogue partner status to India
- It has also become a member of the ASEAN Defence Ministers' Meeting Plus (ADMM+), which discusses defence issues of pivotal significance between ASEAN countries and all of its dialogue partners
- Issues between ASEAN and India
- Asian security dilemma
- Nuclearisation of the Indian subcontinent
- A plethora of issues concerning the implementation of an ASEAN-India Free Trade Area (AIFTA)
- The balance of power that risks being left 'off balance' and bearing the possibility of having to assume an anarchic nature owing to the region's delicate current balances.

#### WAY FORWARD

- Shifting our focus to the present day, it is apparent that the wide-ranging set of partnerships and complementarities between India and ASEAN reflect a need to engage the maritime medium more constructively, and with due attention paid to specific areas of concern such as maritime security. Together, India and the ASEAN reveal the vast potential between what institutes a multilateral organization in the ASEAN of vital significance to its region, and the numerous aspects of a growing superpower in India.

#### The Hindu Link:

<https://www.thehindu.com/news/international/asean-objects-as-china-wants-myanmar-junta-to-join-summit/article37568581.ece>

**Question:** Examine the significance of ASEAN for India's economic, geostrategic and security imperatives?

### Unpredictable norms key impediment to bilateral trade

#### Context:

- U.S. Trade Representative recently flagged India's 'unpredictable' regulatory norms, high tariffs and market access restrictions as key impediments to bilateral trade.
- The US emphasised America's continued interest in agriculture market access and conveyed that "worker-centric" policies will be the pivot for the Joe Biden administration's approach to trade policy.

#### Background



- Recent trade visit is to revive the U.S.-India Trade Policy Forum (TPF) after a four-year hiatus, US stated that the relationship is a top priority for President Biden, but highlighted that bilateral trade “never seems to quite live up to its significant potential”.

### **Key Highlights of the Trade talk**

- Signalling a major switch to a “worker-centric” focus in U.S. policy, the Representative said: “The President is convinced that the U.S. policy needs a fundamental shift to ensure that both nation’s policies and actions focus on the impact that trade and trade agreements have on the lives of real working people.”
- The US will work closely with the Indian Government ‘colleagues’ including Labour and Employment Minister on connecting trade “more directly with working people”.
- There is a huge potential for growth in our two countries, in areas like the digital economy, services, health-related trade and yes, even agriculture. The US believes that a revived TPF can help our trade relationship keep pace with our other areas of engagement.
- India and the U.S. also face shared challenges like climate change and sustainability, vulnerable supply chains and promoting market-oriented principles and structures. These are areas that are ripe for closer collaboration now, underlining that the U.S. is committed to ensuring a robust and sustainable trade partnership.
- Delivering results and further integrating our two economies will require concerted efforts from our Governments, businesses, civil society, our people as both workers and consumers.

### **India’s Take**

- The trade policy forum is being rejuvenated after “languishing for four years”. India expressed confidence that the two sides will be able to resolve issues in an amicable manner and send a message to the world that the U.S. and India are strong partners.
- Citizens from both our countries look towards India-U.S. partnerships with great optimism and hope. The U.S. and India share a partnership that can not only help each other but the entire world to recover if we were to work together.

### **India US Ties**

- The relations between India and the United States have evolved in the post-Cold War era. Both countries have established strong bilateral relations and continue to contribute to the stability and prosperity of the world.
- As two mature and vibrant democracies, the relations between the two countries are based on a foundation of shared values and common interests, including a commitment towards Democratic principles.
- As the ideological Cold War ended after a myriad of international convergences and divergences, India was forced to look to the West given the paradigm shift in the geopolitics Of the world. Today India and the US are among the most vibrant and foreign cohorts and strategic partners.

### **Significance of India US relations**

- **Energy partnership -**

- India and the US signed a civil nuclear deal in 2008. It provides US assistance to India's civilian nuclear energy programme and expands India US cooperation in energy and satellite technology. This was a time when the relations between the two countries peaked and it was considered as a game-changer in Indo US relations.
- **Economic relations -**
- The trade and economic partnership between the US and India has been a key component in the bilateral relations between the two countries. In 2018, the Indian manufacturing trade in the US reached 50.1 billion U.S. dollars for the first time surging by approximately 6 billion U.S. dollars over the previous year.
- **Defence Partnership-**
- Defence relations have emerged as a major pillar in India-U.S. strategic partnership. The two countries signed the 'New Framework for India-U.S. Defence Relations' in 2005 and resulted in an intensification of defence trade, joint exercises, personnel exchanges, collaboration and cooperation in maritime security and counter-piracy, and exchanges between each of the three services.
- The Defence Framework Agreement was updated and renewed for another 10 years in 2015.
- The US has become India's second-largest arms supplier.
- The two countries signed the Basic Exchange Cooperation Agreement in 2019. Before that the Logistics Exchange Memorandum of Agreement and Communications Compatibility and Security Agreement was signed between the two.
- Both the countries cooperate closely at multilateral organisations like the United Nations, G20, Association of Southeast Asian nations regional forum, World Bank, etc. In 2019 the US joined India's coalition for disaster resilient infrastructure to expand cooperation on sustainable infrastructure in the Indo- Pacific region.
- **Counter-terrorism and internal security cooperation**
- In counter-terrorism has seen considerable progress between the two countries with intelligence sharing, information exchange, operational cooperation, counter-terrorism technology and equipment.
- The India US counter-terrorism cooperation initiative was signed in 2010 that aims to expand collaboration on counter-terrorism, information sharing and capacity building.
- The two sides have agreed to work on a joint plan to counter the threat of improvised explosive devices.
- **Energy and climate change**
- The US India energy dialogue was launched in 2005 to promote trade and investment in the energy sector.
- Currently, there are six working groups under the energy dialogue in oil and gas, coal, power and energy efficiency, new technologies and renewable energy, civil nuclear cooperation and sustainable development. As a priority initiative under the partnership to advance clean energy,

- The US Department of Energy and the Government of India established the joint clean energy research and development centre that has been designed to promote clean energy innovations by a team of scientists from India and the US.
- **Education**
  - Cooperation in the education sector has been an integral part of the strategic partnership between the two countries.
  - The Fulbright programme was renewed in 2008, with the enhanced mandate and joint funding with the aim of providing more student and scholar exchange grants.
  - There are about 1.5 lakh, Indian students, pursuing advanced degrees in the USA.
- **Space**
  - A bilateral joint working group on civil space cooperation provides a forum for discussion on joint activities in space that includes
    - exchange of scientists;
    - OCM2, INSAT3D collaboration;
    - Cooperation on Mars mission;
    - nano-satellites;
    - carbon /ecosystem monitoring and modelling;
    - feasibility of collaboration in radio occultation;
    - Earth Science Cooperation;
    - international space station;
    - global navigation satellite systems;
    - L&S band SAR;
    - space exploration cooperation;
    - Space debris mediation.
- **Science and technology**
  - India US science and technology cooperation has been steadily growing under the framework of the US India science and technology cooperation agreement that was signed in 2005.
  - The US India science and technology endowment fund that was established in 2009 promotes the commercialization of jointly developed innovative technologies with the potential for positive societal impact.
- **Health sector**
  - Under the 2010 US India health initiative, forward working groups have been organised in areas of non-communicable diseases, infectious diseases, strengthening health systems and services, and maternal and child health.

- The global disease detection India centre was established in 2010 to build up the disease surveillance and epidemiological capacity in India. U.S. National Institutes of Health, Indian council of medical research, and India's biotechnology Department have developed a robust relationship in the biomedical and behavioural Health Sciences, research related to HIV, infectious diseases diabetes cardiovascular diseases mental health and low-cost medical technologies.
- **People to people ties**
- Strong people to people ties between India and the USA is reflected in a four million-strong Indian American diaspora that has been a tremendous source of strength in the partnership between the two countries.
- **Strategic importance**
- The US under its pivot to Asia policy views India as an ideal balancer to cheque the aggressive rise of China. Due to this, it has formulated the concept of the Indo Pacific to counter China in the South China Sea and the Indian Ocean.
- India sees this as an opportunity to counter China in the maritime domain in order to preserve the freedom of navigation and the rules-based order.
- The two countries are also a part of the international grouping of the Quad or the Quadrilateral Security Dialogue along with Japan and Australia that aims to establish multilateral rules-based world order.

**The Hindu Link:**

<https://www.thehindu.com/todays-paper/tp-national/unpredictable-norms-key-impediment-to-bilateral-trade/article37636854.ece>

**Question:** Trade relations between India and USA while growing in past years are still far below their potential. Elucidate the policy constraints which are inhibiting this growth

CivilsTap Hlmachal

## POLITY AND GOVERNANCE

### Debate on Caste Census

#### Context:

- The debate about whether the decennial Census should collect data on caste from individuals who fall into the administrative categories of 'General' and 'Other Backward Classes' (OBCs) has been argued by public intellectuals.

#### Background:

- The Socio-Economic and Caste Census (SECC) was conducted in 2011. It was the largest exercise of the listing of castes and has the potential of finding inequalities at a broader level.
- Socio-Economic Caste Census(SECC) was conducted by the Ministry of Rural Development in rural areas and the Ministry of Housing & Urban Poverty Alleviation in urban areas.
- The SECC data excluded caste data and was published by the two ministries in 2016.
- The raw caste data was handed over to the Ministry of Social Justice and Empowerment,
- The ministry formed an Expert Group under former NITI Aayog Vice-Chairperson ArvindPangaria for the classification and categorisation of data.
- However, only the details of the economic conditions of the people in rural and urban households were released. The caste data has not been released till now.

#### Rationale behind conducting caste census

- Rationalise reservation:
- Many have argued that an SECC would be the best way to rationalise reservation based on data and make a strong case for breaching India's reservation cap.
- For example, The census of 2011 had 19,569 entries on languages. These entries were then rationalized into 1369 mother tongues. These were then classified into 22 scheduled and 99 non-scheduled languages. So, the collection of caste data will lead rationalise reservation.
- Since job and education quotas are based on caste, this will help in evidence-based policymaking. The current policies are based on the last caste census, which was conducted in 1931.
- Further, this census can help the government in identifying the most benefited section and reduce their share in the overall reservation to provide an opportunity to others.



- Also, Most estimates show the OBC population to be above 40%. This is much greater than the current reservation, which stands at 27%. The caste census will provide the exact proportion of OBC population.
- A caste census would actually bring forward the large number of issues that any democratic country needs to pay attention to. For instance, this census will reveal information regarding caste-based marginalisation, deprivation, the kind of jobs pursued by a caste, etc.
- Caste census will give authentic information regarding the socio-economic condition and education status of various castes.
- Better targeting of Government welfare schemes: The courts in India have often emphatically said that it is important to have adequate data regarding the reservation. So, the caste census is nothing but the collection of data that is necessary for any democratic policymaking.
- Break the myths associated with castes: The caste census will reveal the actual data on castes and remove ambiguities associated with the caste. For instance,
- In Karnataka, there were claims that among the castes, the Lingayats are the most numerous. So the census can reveal the true information on that.
- Recommendation from the Sachar committee: Sachar committee was formed to examine the socio-economic and educational status of the Muslim community in India. In its report, the committee mentioned that the availability of data on religion was useful in highlighting the relative deprivation of minorities. So, similar data on caste is also desirable to identify vulnerable sections within castes.

#### **Challenges linked to conducting caste census**

- Reservation tussles:
- Reservation is going to cater only to a small proportion of those who are entitled to it. Further, there is also some debate that the reservation policy in India invariably led to the growth of elites among castes and communities. So, the caste census along with reservation might favour elites among castes.
- There is a possibility that caste-based reservations will lead to heartburn among some sections and spawn demands for larger or separate quotas. For instance, Patels, Gujjars, Jats and other castes are demanding reservations. The caste census might induce more such demands in future.
- The caste census will give rise to caste division. : As India seek to eliminate and weaken the notion of caste, a caste census would only strengthen it.
- Collection of caste data is not easy: Some sections of people believe that Caste is a very important source of privilege and advantage in our country. On the other hand, some sections of people feel disadvantaged by revealing caste-based information. So, the naming and counting of caste is a difficult thing in India. For instance, the same caste is spelt in different ways in different states.

#### **The Hindu Link:**

<https://www.thehindu.com/opinion/op-ed/why-counting-caste-matters/article37292341.ece>

**Question-** Caste census on one hand can help in better targeting of reservation benefits, but can also corrode social harmony. Comment.

## Recruitment in Judiciary

### Context:

- The idea of centralised recruitment of judges has been debated in legal circles for decades, and remains contentious.

### Background:

- In 1958, the 14th report of the Law Commission of India had recommended the creation of the All India Judicial Service (AIJS).
- In 1961 at the Chief Justices' Conference, a proposal was given for the creation of All India Judicial Service. This recommendation was given at the conference to remove any kind of intervention either by the Executive or Judiciary while making appointments to the Judiciary.
- After opposition from High Courts and some states, the proposal for All India Judicial Service (AIJS) was shelved until 1976.
- The Constitution was amended, under Article 312, a provision was made for AIJS.
- The recommendation for the creation of All India Judicial Service (AIJS) was once again given by the Law Commission in its 77th report which was submitted in 1978 and in its 116th report which was submitted in 1986.
- The Government was asked to check the feasibility of the recommendations given by the Law Commission, to set up the All India Judicial Service (AIJS).
- This recommendation to the Government was given by the Supreme Court of India in the All India Judges Association versus Union of India and others case.
- The matter concerning the creation of the All India Judicial Service was considered and recommended by the Justice Shetty Commission, also known as the First National Judicial Pay Commission (FNJPC).
- In 2012, a proposal was given by the Government of India regarding the AIJS.
- Due to opposition from the Chief Justices of the High Courts on the grounds that it would be an infringement of their rights, the proposal had to be shelved once again.

### All India Judicial Service (AIJS) – Need for Indian Judicial Service

- As per a report given by the National Court Management Systems in 2012, the number of cases that would be filed in 30 years would be as high as 15 crores.
- To handle these many projected cases in the given timeline, there would be a requirement of 75,000 Judges.
- A “properly framed” All India Judicial Service (AIJS) on the lines of other all-India services would help in strengthening the overall Justice delivery system.

- All India Judicial Service will help in the inclusion of fresh talents through a merit-based selection process conducted throughout the country.
- There will be representation from deprived sections, marginalized sections of the society and address the problems of Social Inclusion.

### Implementation & Challenges

- As per the amended Constitution, although Article 312(1) gives provision for setting up All India Judicial Services, a resolution must be passed in the Rajya Sabha with the support of not less than two-thirds of its members present and voting.
- Thereafter, a law for the creation of AIJS has to be enacted by the Parliament.
- The challenge behind the implementation of the All India Judicial Service (AIJS) is that the filling of vacancies of Judicial officers or Judges in Subordinate Courts and Districts is the domain of the respective High Courts and State Governments.
- Hence, the Government has to take a consultative approach to arrive at a common ground as the different stakeholders have diverging opinions.
- In November 2012, a Committee of Secretaries had approved a proposal for the constitution of AIJS. This was a comprehensive proposal.
- This proposal was included as an agenda item in the Conference of Chief Justices of the High Courts and State Chief Ministers, which was held in April 2013. Some of the States and High Courts wanted changes in the proposal, some of them had favoured the proposal, while some of the States and High Courts had rejected the proposal.
- The proposals received from the State Governments and High Courts were included in the Chief Justices' conference held in April 2015.
- In 2019, the Government of India had initiated a consultative process for the establishment of the All India Judicial Services (AIJS). Eleven states did not respond to the Government, Five States had suggested some changes, and the Eight States had rejected the proposal of the Government.

#### The Indian Express Link:

<https://indianexpress.com/article/explained/explained-lower-judiciary-centralised-recruitment-debate-7607709/>

**Question-** The high pendency and low efficiency in judiciary makes a strong point for All India Judicial Service (AIJS). Comment.

## Lower Judiciary & Centralised recruitment debate

**Context:**

Call @7814622609

- The central government is preparing to give a fresh push to the establishment of an All India Judicial Service (AIJS) on the lines of the central civil services.

### **Background**

- The Law Minister has called a meeting of state law ministers recently to discuss the AIJS and issues related to infrastructure in the lower judiciary.
- The idea of centralised recruitment of judges has been debated in legal circles for decades, and remains contentious.

### **About the proposed All India Judicial Service (AIJS)**

- The AIJS is a reform push to centralise the recruitment of judges at the level of additional district judges and district judges for all states.
- In the same way that the Union Public Service Commission conducts a central recruitment process and assigns successful candidates to cadres, judges of the lower judiciary are proposed to be recruited centrally and assigned to states.

### **Implementation & Challenges**

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### **Current recruitment process**

- Articles 233 and 234 of the Constitution of India deal with the appointment of district judges, and place it in the domain of the states.



- The selection process is conducted by the State Public Service Commissions and the concerned High Court, since High Courts exercise jurisdiction over the subordinate judiciary in the state.
- Panels of High Court judges interview candidates after the exam and select them for appointment.
- All judges of the lower judiciary up to the level of district judge are selected through the Provincial Civil Services (Judicial) exam.
- PCS(J) is commonly referred to as the judicial services exam.

### **Rationale behind the AIJS proposal**

- The idea of a centralised judicial service was first mooted in the Law Commission's 1958 'Report on Reforms on Judicial Administration'.
- The idea was:
- To ensure an efficient subordinate judiciary,
- To address structural issues such as varying pay and remuneration across states, to fill vacancies faster, and
- To ensure standard training across states.
- A statutory or constitutional body such as the UPSC to conduct a standard, centralised exam to recruit and train judges was discussed.
- The idea was proposed again in the Law Commission Report of 1978, which discussed delays and arrears of cases in the lower courts.
- In 2006, the Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice in its 15th Report backed the idea of a pan-Indian judicial service, and also prepared a draft Bill.

### **The judiciary's view on the AIJS**

- In 1992, the Supreme Court in All India Judges' Assn. (1) v. Union of India directed the Centre to set up an AIJS.
- In a 1993 review of the judgment, however, the court left the Centre at liberty to take the initiative on the issue.
- In 2017, the Supreme Court took suo motu cognizance of the issue of appointment of district judges, and mooted a "Central Selection Mechanism".
- Senior advocate, who was appointed amicus curiae by the court, circulated a concept note to all states in which he recommended conducting a common examination instead of separate state exams.
- Based on the merit list, High Courts would then hold interviews and appoint judges.
- Advocate submitted that this would not change the constitutional framework or take away the powers of the states or High Courts.

### **The opposition to the AIJS**

- A centralised recruitment process is seen as an affront to federalism and an encroachment on the powers of states granted by the Constitution.



- This is the main contention of several states, which have also argued that central recruitment would not be able to address the unique concerns that individual states may have.
- Language and representation, for example, are key concerns highlighted by states.
- Judicial business is conducted in regional languages, which could be affected by central recruitment.
- Also, reservations based on caste, and even for rural candidates or linguistic minorities in the state, could be diluted in a central test, it has been argued.
- The opposition is also based on the constitutional concept of the separation of powers.
- A central test could give the executive a foot in the door for the appointment of district judges, and dilute the say that High Courts have in the process.
- Additionally, legal experts have argued that the creation of AIJS will not address the structural issues plaguing the lower judiciary.
- The issue of different scales of pay and remuneration has been addressed by the Supreme Court in the 1993 All India Judges Association case by bringing in uniformity across states.
- Experts argue that increasing pay across the board and ensuring that a fraction of High Court judges are picked from the lower judiciary, may help better than a central exam to attract quality talent.

#### **Why is the government seeking to revive the idea of AIJS?**

- The government has targeted the reform of lower judiciary in its effort to improve India's Ease of Doing Business ranking, as efficient dispute resolution is one of the key indices in determining the rank.
- The AIJS is a step in the direction of ensuring an efficient lower judiciary.
- The government has countered the opposition by states, saying that if a central mechanism can work for administrative services (IAS officers learn the language required for their cadre) it can work for judicial services too.

#### **The Indian Express Link:**

<https://indianexpress.com/article/explained/explained-lower-judiciary-centralised-recruitment-debate-7607709/>

**Question:** The Reforms for Indian Judiciary Should start From Grassroots. In context of above statement Describe the issues faced and possible solutions for efficient working of lower judiciary?

## lack of funding in MGNREGA

### Context:

- Recently, the Centre has decided to scrap the system of caste-based wage payments in the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme after complaints from State Governments.
- Earlier, the Central government had introduced a category-wise (SC, ST and others) wage payment system, for better accounting purposes.
- No doubt, knowing the earnings of SC/ST households is useful. But it could have been done after the wages were paid.
- Eight crore MGNREGA wage transactions were pending on Diwali.

### Issues:

- **Negative impact of caste-based segregation:** While 46% of payments to SC workers and 37% for ST workers were completed in the mandated seven-day period, it was a dismal 26% for non-SC/ST workers.
- The negative impact of caste-based segregation was felt acutely in poorer States such as Madhya Pradesh, Jharkhand, Odisha and West Bengal.
- In addition to such stark differences, in West Bengal, the Central government kept pending nearly 45% of the wages beyond 15 days as on October 13.
- **Caste-based segregation has also resulted in tensions at worksites.**
- It had also resulted in a threefold increase of workload for computer operators at blocks.
- After critical media reportage, the Central government has revoked the caste-based segregation of wage payments.
- However, the Central government has not assumed any accountability by paying compensation for delays despite the evident damage caused by caste-based segregation of payments.
- **Lack of funds:** The Ministry of Rural Development said that currently Rs.8921 crore funds are available which can meet the wage liability.
- This statement is misleading as the Ministry has not accounted for pending arrears of ₹17,543 crore from previous years.
- There is ample evidence by now that delays in wage payments are a consequence of insufficient funds.
- It showed that funds allocation this financial year (FY) is 34% lower than the revised budget allocation of last year. And this year's funds have been exhausted.
- The Chief Ministers of Odisha and Tamil Nadu wrote to the Prime Minister seeking additional funds for MGNREGA.

- **No advantage of technology:** according to a report, there is any difference in the time taken for payments through the Aadhaar Payment Bridge Systems (APBS) and traditional account-based payments.
- In fact, APBS has given rise to complicated problems like misdirected payments and payment failures due to erroneous Aadhaar mapping with the payment software.
- Misdirected payments happen when one person's Aadhaar gets linked to somebody else's bank account.
- These problems are difficult to resolve even for bank and block officials resulting in increased hardships for workers.
- **Wage payment process of MGNREGA**
- There are two stages in the wage payment process.
  - **In Stage 1,** States must electronically send invoices, also called FTOs, to the Central government within eight days of completion of work at a worksite.
  - These invoices contain essential worker details like their names and bank account numbers.
- **Stage 2:** The Central government then processes the invoices and transfers wages directly to the workers' accounts. This is the Central government's responsibility that must be completed within seven days after Stage 1.
- Since Supreme Court orders in 2018, Stage 1 delays have reduced while Stage 2 delays continue.
- As per the Act, if Stage 1 plus Stage 2 exceeds 15 days, then workers are entitled to a delay compensation for each day's delay.
  - **However, in violation of the Act and the Supreme Court's orders, no delay compensation for Stage 2 is even being calculated.**
- Instead of ensuring sufficient funds for timely payments, the Central government has repeatedly modified the payment architecture as if payment delays are due to technological hurdles.
  - **Earlier, the invoices were not segregated by caste.** Recently, the Central government issued a circular to segregate invoices based on the caste of workers (Scheduled Castes, Scheduled Tribes, and 'Others'). It was then taken back.
- **Delay in Stage 2:** In our sample, Stage 2 was completed only for 29% of the invoices within the mandated seven-day period.
- For two-thirds of the transactions in Jharkhand and more than half the transactions in Chhattisgarh, Madhya Pradesh and West Bengal, Stage 2 exceeded 15 days.
- There was also a steady increase in Stage 2 delays from July to September indicating depletion of funds.
- These minimally warrant an impartial, independent assessment and audit of the payment systems. Technical fixes cannot be substitutes for political will. Official data show that the work demand this year is similar to that of last year. As such, at least ₹50,000 crore needs to be allocated urgently and the Central government, in compliance with Supreme Court orders, must automatically calculate and pay the workers their entitled delay compensation.

**The Hindu Link:**

<https://www.thehindu.com/opinion/op-ed/the-long-road-to-timely-mgnrega-payments/article37372082.ece>

**Question-** Describe various issues pertaining to functioning of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme.

## Pegasus & Cyber Surveillance

**Context:**

- The revelations about misuse of Pegasus spyware have shaken the world and India has also felt its reverberations. There has not been any investigation on the matter and also a parliament session was allowed to be washed away as discussion on the issue was denied. The issue resembles the Watergate scandal in the 1970s which brought down US President, Richard Nixon.

**PEGASUS**

**About Pegasus**

- NSO Group , an Israeli cyber security firm founded spyware called as Pegasus in 2010
- Founders of NSO group arr from Unit 8200, elite defence force of Israel. It is probably the foremost technical intelligence agency and also israel's largest military unit
- Any iOS or Android device can be hacked and variety of data can be stolen from infected device using the spyware
- An exploit link is sent to the target user and if the user clicks on the link the code or malware gets installed in the phone which allows complete surveillance

**Pegasus in 2019**

- Use of Pegasus to target journalist and human right activists was confirmed by Facebook's WhatsApp in India
- There was an allegation of target of around 1400 WhatsApp users Pegasus by NSO group
- Human right activists ,lawyers working in tribal areas , an Elgar Parishad case accused, Bhima Koregaon case lawyer etc were some of those who were targeted in India

**NEED OF SURVEILLANCE**

- Surveillance state- when all actions, locations etc of citizens are surveilled legally by the state to prevent crimes and to solve the cases at faster pace

- To prevent organized crime - there has been increasing use of media to facilitate organised crime, provocation of extremism, money laundering etc
- Combat Terrorism- Surveillance can help in getting prior information about terrorist activities and thus help to counter the potential terror attacks
- Misinformation by Fake News- There have been many incidents of riots, mob lynching due to spread of fake messages across social media platforms

### **LAWS FOR SURVEILLANCE IN INDIA**

#### **Telegraph Act (1885)**

- It allows interception of call related to telephonic conversation
- Section 5(2) of act allows central and state agencies to intercept electronic communication in case of any public emergency or to ensure public safety
- According to law, the device can be put under surveillance if officials are satisfied that it is necessary to do so to maintain sovereignty and integrity of country, security of state, friendly relation with other countries, public order or prevention of incitement to offence

#### **Indian Telegraph Rules**

- Officers who can order surveillance of messages are identified under Rule 419 A of Telegraph Rules
- Directions of interception can be passed by secretary to government of India in Ministry of Home affairs
- At state level, officer of secretary level who has in charge of home department can pass such orders
- Officer rank of joint secretary duly authorised by union home secretary or state home secretary can under unavailable circumstances issue directions under the rules

#### **Information Technology Act (2000)**

- Section 69 of IT Act and IT Rules, 2009 deal with surveillance of all electronic communications
- Interception, monitoring and decryption of information through any computer resource including mobile phones is authorised to agencies under these provisions
- According to Section 69 of IT Act -sovereignty and integrity of country, defence of India, security of State, friendly relations with other countries, public order, prevention of incitement to any cognizable offence, investigation of any offence are grounds for which interception can be done by the government agencies

#### **Indian Post Office Act (1898)**

- Central and state governments have power to intercept postal articles for maintenance of public safety as well as in cases of public emergency.

### **CONCERNS ASSOCIATED WITH STATE SURVEILLANCE**

#### **Freedom of press-**



- World press freedom index (2021) by Reporters without Borders has ranked India 142 out of 180 countries
- There is an atmosphere of distrust because safety of journalist as well as their sources is threatened

### **Chilling effect on right to Freedom of Speech**

- Surveillance can hamper the vital public watchdog role of press which would undermine its ability to provide accurate and reliable information

### **Right to privacy**

- Puttaswamy judgement in 2017 has made right to privacy sacrosanct and it forms an intrinsic part of right to life and personal liberty under Article 21 of the Indian constitution
- The supreme court also reasoned that there is a positive application on state to protect the privacy of individuals

### **Lack of oversight mechanism**

- The power goes into hands of executive due to lack of parliamentary or judicial oversight, the disproportionate use of power may lead to spread of authoritarianism
- A review by three member committee consisting of cabinet secretary and two other bureaucrats is the only safeguard mechanism against misuse

### **Violation of Article 32 and 226**

- Since there is secrecy involved in surveillance citizens are not able to show their breach of rights hence Article 32 and 226 which empowers Supreme Court and High Court to issue writs is taken away.

### **WAY FORWARD**

- Role of judiciary- to ensure that due process of law is followed judiciary has to play the role of an oversight mechanism where it can decide the proportionality of cases of surveillance and if alternatives to that are available.
- Fine Balance - there needs to be a balance between the objectives of the Government and the rights of the individuals.
- Both security of the nation and fundamental rights granted to the citizens are essentials for a country to work a fine balance between them is the need of hour
- Data protection law- a strong data protection law ensuring right to privacy surveillance protection and unauthorised data collection is of grave importance in this digital era

#### **The Hindu Link:**

<https://www.thehindu.com/opinion/lead/pegasus-inquiry-must-reverse-the-chilling-effect/article37511279.ece>

**Question:** Recently Pegasus spyware have shaken the world, in this context describe Pegasus spyware And how it is against fundamental Right Article 21 of the constitution?

## CBI Director's tenure

### Context:

- The Central government promulgated ordinances to give five-year tenure to heads of the Central Bureau of Investigation (CBI) and the Enforcement Directorate (ED).

### Amendment in Acts -

- Delhi Special Police Establishment Act (1946)- the amendment was made under this act to change the tenure of CBI director
- Central Vigilance Commission Act (2003)- by amending this act changes were brought to the tenure of ED director
- Fundamental Rules, 1922
- Fundamental rules are guiding principles applicable to all public servants and cover the full range of their in-service and post-retirement work scenarios.
- It prohibits the extension of service to any public servant beyond the retirement age of 60 years, except a few, including the Secretary to the Cabinet, those engaged in budget-related work. , eminent scientists, the Cabinet Secretary, the heads of the IB and RAW in addition to the director of the CBI, among others with certain conditions.
- Amendment was made in rules to bring them in sync with amendments to Delhi Special Police Establishment Act and Central Vigilance Commission Act

### Key provisions

- Earlier media CBI director could be appointed for two years, now the ordinance extends it to three more years thus a total of 5 years tenure. However, no extension can be given after 5 years
- The original fundamental Rule 56(d) included top functionaries like home secretary ,defence secretary, foreign secretary chief of intelligence Bureau and research and analysis wing whose term could be extended by government to maximum of two years and beyond
- The amendment to the rule mentions directors of ED as well as CBI along with defence secretary, home secretary, and director of Intelligence Bureau and R&AW secretary.

### Pros of the ordinances

- Two-year tenure for a CBI head is too short for any officer to make an impact on the organisation. The Federal Bureau of Investigation chief in the U.S. gets a 10-year term.

- 5 year tenure provides them the much-needed continuity that a Director needs in an outfit charged with the task of conducting highly sensitive investigations, which sometimes impinge on the longevity and stability of a democratically elected government.
- Better Investigation of cases- the director will have an opportunity to pursue cases longer and thus can help in taking logical conclusions.
- Transparency in extension- All extensions will have to be approved by the PM-led committee where the Chief Justice of India and Leader of Opposition will also have an opinion

#### **Cons of the ordinance:**

- One-Year extensions: At the end of the mandatory two-year tenure, the government will have to issue orders granting one-year extensions at a time.
- It would have been better if there was a straight five-year term for the Director.
- The rule about three annual extensions can be misused by a tendentious government.
- It may be construed as a reward for an obliging Director.
- Promulgation of ordinances- Article 123 of Indian constitution allows centre and state governments to frame laws through ordinance making however, constitution makers envisaged a much restrained use of this practice.
- DC Wadhwa Case (1986)- the Supreme court clarified that Power to promulgate ordinance is essentially a party to meet an extraordinary situation and should not be perverted to serve political ends

#### **Challenges for autonomy of CBI**

- Dependence on State governments: Successive chiefs have suggested the drafting of a CBI Act to ensure that the organisation is not dependent on the State governments, many of which have withdrawn consent for the CBI to function in that State.
- The Supreme Court has recently made references to this objectionable development.
- Eight States — West Bengal, Maharashtra, Kerala, Punjab, Rajasthan, Jharkhand, Chhattisgarh, and Mizoram — have withdrawn the general consent.
- The government is sometimes arbitrary in choosing the Director. It is not rare to see temporary appointments given to favour some individuals. Seniority was often ignored in appointments and Directors were removed frequently.

#### **Need for an independent CBI**

- Vineet Narain Case (1997)- in the landmark judgement the supreme Court held that the agencies need permanent insulation against external influence and down a dictum that directors of CBI & ED should have a minimum tenure of two years.
- Any dishonest interference in the working of the organisation interrupts straightforward investigations. The government will therefore have to show enormous restraint in its interactions with the head of the CBI.
- As a measure of accountability, the Director will have to keep the government informed of all major administrative decisions.

- He or she should inform the executive but not take orders from it.
- The CBI should be made to derive its authority for launching investigations from its own statute instead of depending on the Criminal Procedure Code, which makes the CBI a police organisation. Apt analogies are the Income Tax Act and the Customs Act, which enable the officers of the two departments to act on their own.

**The Hindu Link:**

<https://www.thehindu.com/opinion/op-ed/longer-term-better-impact/article37527454.ece>

**Question:** Examine the criticisms made against functioning of Central Bureau of Investigation (CBI) and in the light of these criticisms, discuss how its director should conduct himself.

## Health Insurance for India's Missing Middle

**Context:**

- Recently, NITI Aayog has released a comprehensive report titled Health Insurance for India's Missing Middle. The report aims for a credible pathway to universal health coverage (UHC) for India.
- Covering the left out a segment of the population, commonly termed the 'missing middle' sandwiched between the poor and the affluent, has been discussed by the Government recently.

**Key points of the report**

- At least 30 per cent of the population called the 'missing middle' – are devoid of any financial protection for health.
- The Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) launched in September 2018, and State Government extension schemes, provide comprehensive hospitalization cover to the bottom 50% of the population.
- PMJAY offers a sum insured of Rs. 5 lakh per family for secondary care as well as tertiary care . For the beneficiaries, this is a free scheme.
- Around 20% of the population are covered through social health insurance, and private voluntary health insurance.
- The remaining 30% of the population is devoid of health insurance; the actual uncovered population is higher due to existing coverage gaps in PMJAY and overlap between schemes."
- The report proposes voluntary, contributory health insurance dispensed mainly by private commercial health insurers as the prime instrument for extending health insurance to the 'missing middle'.
- The Pradhan Mantri Jan Arogya Yojana (PMJAY) scheme should be extended to cover a section of people without health insurance.



- Government subsidies will be reserved for the very poor within the 'missing middle' and only at a later stage of development of voluntary contributory insurance.
- The report has recommended three models for increasing the health insurance coverage in the country.
- The first model focuses on increasing consumer awareness of health insurance, while the second model is about "developing a modified, standardized health insurance product" like 'Aarogya Sanjeevani'.
- The "Aarogya Sanjeevani Insurance Policy" guidelines were basically launched to cover the hospitalisation expenses of the COVID-19 patients. The policy is not brought by GoI rather instructed by GoI.
- It is a standardised health insurance product launched by the Insurance Regulatory Development Authority of India (IRDAI) in April 2020.
- The third model expands government subsidized health insurance through the PMJAY scheme to a wider set of beneficiaries.
- This model can be utilized for segments of the missing middle which remain uncovered, due to limited ability to pay for the voluntary contributory models outlined above.
- A combination of the three models, phased in at different times, can ensure coverage for the missing middle population.
- In the medium-term, once the supply-side and utilization of PMJAY and ESIC is strengthened, their infrastructure can be leveraged to allow voluntary contributions to a PMJAY plus product.
- Sharing government databases such as National Food Security Act (NFSA), Pradhan Mantri Suraksha Bima Yojana, or the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) for agricultural households with private insurers after taking consent from these households.
- The report proposes an OPD insurance with an insured sum of ₹5,000 per family per annum, and again uses average per capita OPD spending to justify the ability to pay.
- The out-patient department (OPD) care insurance coverage includes doctor consultations, diagnostics, medicines, etc.
- The report acknowledges that OPD expenses comprise the largest share of out-of-pocket expenditure on health care. They have a greater role in impoverishment of families due to health-care expenses.

### Concerns with the report

- A high-level expert group on UHC had expressed reservations about such a health insurance model as the instrument of UHC and advocated a largely tax-financed health system with private sector participation.
- In-patient care: For hospitalisation insurance, the report proposes a model similar to the Aarogya Sanjeevani scheme with lower projected premiums of around ₹4,000-₹6,000 per family per annum (for a sum insured of ₹5 lakh for a family of five).
- This model is similar to commercial private insurance, except lower premiums.
- These low premiums are achieved by reducing administrative costs of insurers through an array of measures, including private use of government infrastructure.



- Low premiums are not achieved on account of government subsidies or regulation.
- This model is vulnerable to profit making greed of conventional private insurance.
- It is important to remember that even free-of-cost government health insurance for the poor has little penetration in the country. The possible destiny of contributory private health insurance for the Middle class is not well.
- The NITI report ignores the fundamental concepts like significant levels of government subsidy to schemes; not-for-profit mode of operation; and some important guarantees for health.
- Lacking checks and balances: In Switzerland which has predominantly private insurers and a competitive model of insurance, certain important checks and balances exist:
  - benefits are mentioned in legislation;
  - basic insurance is mandatory and not-for-profit;
  - cream-skimming and risk-discrimination are prohibited.
- Such checks and balances have not been discussed in the NITI report.
- Out-patient care: The OPD insurance is envisaged on a subscription basis, which means that insured families would need to pay nearly the entire insured sum in advance to obtain the benefits.
- Clearly, this route is unlikely to result in any significant reduction of out-of-pocket expenditure on OPD care, which beats the whole purpose of providing insurance.
- Wrong path towards UHC: Universal health coverage means that all people have access to the health services they need, when and where they need them, without financial hardship.
- No country has ever achieved UHC by relying predominantly on private sources of financing health care.
- Evidence shows that in developing countries such as India, with a big informal sector, contributory health insurance is filled with problems.
- Rather than plot a pathway for UHC in India, the report is more about expanding the footprints and penetration of the private health insurance sector.
- The report looks to attain the UHC with few or no fiscal implications for the Government, which is an absurd idea in the aftermath of COVID-19.
- The National Health Policy 2017 envisaged increasing public health spending to 2.5% of GDP by 2025. Let us not contradict ourselves so early and at this crucial juncture of an unprecedented pandemic.

**The Hindu Link:**

<https://www.thehindu.com/opinion/op-ed/more-a-private-sector-primer-than-health-care-pathway/article37549726.ece>

## Appointment of Judges

### Context:

- The transfer of Chief Justice Sanjib Banerjee from being at the helm at the Madras High Court, India's fourth-largest court with a sanctioned strength of 75 judges, to the Meghalaya High Court with a sanctioned strength of only four has raised questions about transparency in transfer and appointment of judges.

### CONSTITUTION

- Articles 124(2) and Article 217- governs the appointment of judges to the Supreme Court and High Courts respectively. The President has the power to make the appointments after consultation with such of the Judges of the Supreme Court and of the High Courts in the States as the President may deem necessary.
- Article 222- Deals with the transfer of judges- The President may, after consultation with the Chief Justice of India (CJI), transfer a judge from one high court to another

### APPOINTMENT OF JUDGES

#### Appointment of chief justice of India

- The chief justice is appointed by the president strictly on the basis of seniority and outgoing CJI recommends his successor.
- Supreme Court in second judges case ruled that senior-most judge of Supreme Court should alone be appointed to the office of chief justice of India

#### Judges of the supreme court

- The judges of the supreme court are appointed by President in consultation with the chief justice and such other judges of the supreme court and high courts as the president may deem necessary
- The consultation with chief justice is obligatory in case of appointment of judge other than the chief justice
- Supreme Court in third judges case ruled that consultation process should include chief justice of India along with collegium of 4 senior-most judges of the supreme court
- The court also held that the recommendations made by the chief justice of India without complying with the norms of the consultation process are not binding on the government

#### Appointment of chief justice of High Court

- Chief justice is appointed by the president after consultation with the chief justice of India and the governor of the state concerned

#### Appointment of judges at the high court

- Judges other than the chief justice of the concerned High Court are appointed by the president in consultation with the CJI, governor of the state and also the chief justice of the concerned high court.

- In the third judges case, Supreme Court ruled that in the case of appointment of High Court judges, the chief justice of India should consult of two senior-most judges of the supreme court and that the sole opinion of the chief justice of India does not constitute the consultation process

### RECALLING THE HISTORICAL CONTEXT (IMPORTANT CASES)

- Suppression & transfer of judges in 1970s- There was supersession of multiple judges in the appointment of the Chief Justice of India & also the transfer of several High Court Judges.
- Sankalchand H Sheth case
- A five-judge bench of the Supreme Court interpreted Article 222 post-Emergency. The court held that the transfer of a judge from one court to another inflicts many injuries on the individual.
- It noted that the consent of the judge proposed to be transferred as part of the scheme and language of Article 222.
- The court also held that if the power of transfer is vested solely with the executive, it undermines judicial independence and eats into the basic features of the Constitution.
- First Judges Case ( S P Gupta v Union of India,1981) — the Supreme Court ruled that the President does not require the “concurrence” of the CJI in the appointment of judges. The ruling affirmed the pre-eminence of the executive in making appointments.
- Second Judges Case (Supreme Court Advocates-on-Record Association v Union of India, 1993)- a nine-judge Constitution Bench evolved the ‘collegium system’ for appointment and transfer of judges in the higher judiciary. The concurrence means- concurrence of the Supreme Court as an institution and is arrived at by the CJI including discussion with the two senior-most judges.
- Third Judges case(1998)-The collegium was expanded to include five senior-most judges, including the CJI in the Third Judges Case in 1998.
- K Ashok Reddy case(1994)-
- The apex Court specifically dealt with the question of the transfer of judges of high courts.
- The court observed that the absence of norms and guidelines in Article 222 seemed to be deliberate, as the power is vested in high constitutional functionaries.
- It was also held that the power of transfer can be exercised only in the public interest for promoting better administration of justice throughout the country.
- The court in this case also observed that primacy of the judiciary in the matter of appointments and its determinative nature in transfers introduces the judicial element in the process.
- Hence, it is sufficient justification for the absence of the need for further judicial review of decisions, that is ordinarily needed as a check against possible executive excess of arbitrariness

### NEED OF RE-EXAMINATION OF JUDICIAL APPOINTMENT PROCESS

#### Transparency & Accountability

- The public has the right to know-As held in K Ashok Reddy Case, transfers are based on public interest. So, the public should have a right to know the reasons for such transfers as well.

- Stakeholders involved-The material that is considered when a transfer of a judge is being deliberated should be shared with the concerned judge and all stakeholders

### **Larger good of the judicial institution**

- The notion of false means- When the judiciary misses no opportunity to uphold the basic structure doctrine and preserve at all cost its independence, there is a need for transparency in judicial functioning to dispel all notions of favouritism, bias or governmental interference.
- Speculations- When reasons for transfer are not known, it leads to speculation that only inconvenient judges get transferred. This could be seen as degrading the work a judge is doing.

### **Reasonableness of the appointment**

- The Appointment of Judges by the Collegium system is opaque and lacks accountability on the part of the Judiciary.
- The 2nd Administrative Reforms Commission observed that no other country in the world does the judiciary have a final say in its own appointments. In India, neither the executive nor the legislature has much said in who is appointed to the Supreme Court or the High Courts.

### **Pendency of cases**

- There was a lack of implementation, one of the major reasons for the vacancy in the courts & thus pendency of cases.

### **WAY FORWARD**

#### **International Practices-**

- No other country in the world leaves judicial appointments solely to the judiciary, there are several methods and balances to protect the Independence of the Judiciary.
- In England, judges (other than the Supreme Court judges) are appointed on the recommendation of the Judicial Appointments Commission (JAC). It recommends names on merit by open competition and also has a specific statutory duty to 'encourage diversity in the range of persons available for selection for appointments'.
- In Australia, judicial commissions invite the "expression of interest" from the members of the Bar through public advertisements to enable the appointment of judges in a transparent manner.

#### **Retirement age of High Court Judges**

- The 1st Law commission in its 14th report on 'Reforms of the Judicial Administration'- recommends that the retirement age of the High Court judges should be increased to 65 years, the same as that of Supreme Court judges.
- The age difference acts as a carrot and is exploited by the executive as well as some judges of the Supreme Court.
- There are many instances of brilliant judges being ignored and not so worthy elevated.

#### **All India Judicial Service**



- The Supreme Court issued a direction to establish IJS in All India Judges' Association Vs Union of India. Conferences of the Chief Justices have repeatedly passed resolutions for establishing all India Judicial Service.

**The Indian Express Link:**

<https://indianexpress.com/article/opinion/columns/theres-a-need-for-transparency-in-transfer-of-judges/>

**Question:** What are the qualifications for appointment as a Judge of the Supreme Court? How is he appointed and how may he be removed?

## Office of Speaker of Lok Sabha

**Context:**

- The All-India Presiding Officers' Conference (AIPOC) ended with the delegates failing to reach a consensus on whether the Speaker's powers under the anti-defection law should be limited while reiterating an earlier resolution that there should be no disruptions during Question Hour and the President's and Governor's address to the House.

### OFFICE OF SPEAKER OF LOK SABHA

- **Article 93 of the Constitution** provides for the election of the Speaker, which heads the lower house of the parliament.
- **Origin-** The institution of Speaker originated in India in 1921 under the provisions of the **Government of India Act of 1919** (Montague-Chelmsford Reforms)

### Provisions for Independence of Speaker

- **Security of tenure:** Removal of speaker needs a resolution to be passed by effective majority >50% of total strength excluding vacancies
- **Salary and allowances:** It is charged on the Consolidated Fund of India.
- **Restrain on Criticism:** His work and conduct cannot be discussed and criticized in the Lok Sabha except on a substantive motion

### ROLE OF SPEAKER

**With respect to Parliament:**

- **Guardian of Parliamentary conventions:** The speaker ensures the continuous traditions of parliamentary conventions in India.
- **Joint Sitting:** The speaker presides over Joint sitting [ Article 108]
- **Powers w.r.t. Money Bill:** The Speaker is solely responsible for endorsing Money Bill [Article 110(1)]



- **Ensuring the effectiveness of Committees:** Appoints chairpersons of all the parliamentary committees of the Lok Sabha and supervises their functioning. **Example:** Speakers like Shivraj Patil, played a crucial role in initiating 17 departmental standing committees.

#### With respect to Lok Sabha

- **Maintains decorum in the House:** Speaker can take disciplinary actions to ensure the discipline of the House. E.g. The Speaker can suspend MPs disrupting proceedings of Lok Sabha.
- **Disqualification of members under Anti defection Law:** As per 10th schedule, the speaker has the power to decide over the issue of disqualification of the legislator on grounds of defection.
- **Resolves deadlock:** A Speaker uses his/her power to vote, in order to resolve a deadlock
- **Final Interpreter of Rules of Procedure:** The business of the House is conducted according to definite and settled rules of procedure
- **Safeguards Privileges of Members:** The speaker safeguards rights and privileges of members of Lok Sabha. E.g. No person can be arrested within the precincts of Lok Sabha without the permission of the Speaker.
- **Power to Adjourn the House:** The speaker adjourns the House or suspends a meeting in the absence of a quorum.
- **Fix the Agenda of the House:** The Speaker, in consultation with the business committee and the Prime Minister, fixes the agenda of the meetings of the House.
- **Permission to ask questions:** The permission of the Speaker is necessary to ask questions to the ministers. This helps the speaker to prevent unnecessary and politically motivated questions while ensuring discussion on the important questions.
- **Introduction of Bills:** Bills, reports, motions and resolutions are introduced with Speaker's permission.

#### Administrative Role

- **Head of the Secretariat:** The Speaker is also the head of the Lok Sabha Secretariat and has authority over the Secretariat staff of the House.
- **Parliament House:** No alteration can be made in the Parliament House and no new structure can be created in Parliament Estate without the Speaker's permission.
- **Communication:** It is through the Speaker that the decisions of the House are communicated to individuals and authorities outside the Parliament.
- **Prescribes format:** Speaker decides the form and manner in which the proceedings of the House are published.

#### Inter and Intra parliamentary Relations

- **Chairman of the Indian Parliamentary Group:** The speaker is a link between the Parliament of India and the various parliaments of the world.
- **Other Legislative bodies' conference:** Acts as the chairman of the conference of presiding officers of legislative bodies in India.

## ISSUES WITH THE POST OF SPEAKER

- **Impartiality:** Speaker is elected to the house on a Political party's ticket, hence jeopardizing his/her Impartiality. Speaker is politically more liable to favour his party.
- **Disqualification of members:**
  - The role of the speaker has been criticised for disqualification of MLAs under the anti-defection law and their ruling has been challenged in courts.
  - There is a huge scope of discretion which has resulted in partisan behaviour towards ruling parties as seen in Uttarakhand and Arunachal Pradesh.
  - No time limit has been prescribed in the constitution for the delay in decisions.
  - In the **Kihoto Hollohan case**, 1992 the SC declared that the speaker is subject to judicial review.
- **Discretionary power:** There are various instances where discretionary power to ascertain any bill as a Money Bill is misused. E.g. Criticism when the Aadhar bill was introduced in Lok Sabha as Money Bill.
- **Judicial Review in Money Bills:** In matters of declaration of Money Bill, the decision of the speaker is beyond judicial review
- **Increased disruption:** Frequent disruptions due to lack of proactiveness of speaker reduce the time required for important discussions.
- **Discretion in Rules interpretation:** Speaker has the power to interpret Lok Sabha rules, which sometimes bring partisan behaviour towards the ruling party.

## Why the Speaker prefers to maintain party membership

- **Lack of Protection to office:** The electoral system and conventions in India have 'not developed to ensure protection to the office, there are cogent reasons for Speakers to retain party membership.
- **Elections:** Elections are not always by consensus and there have been cases when different parties have fielded their own candidates.
- **Next Term of Elections:** All political parties campaign in the constituency of the Speaker. Bleak chances of Reappointment: Even if the Speaker is re-elected to the House, the office of the Speaker in India is still open for elections

## WAY FORWARD

- **Recommendations by the Supreme Court Provision of a Permanent Tribunal** -The Parliament may seriously consider a Constitutional amendment to substitute the Speaker of the Lok Sabha and Legista Assemblies with a 'permanent Tribunal headed by a retired Supreme Court judge e retired Chief Justice of a High Court. This will ensure that such disputes are decided both swiftly and impartially.
- **Replicating the UK model:** Once elected, the Speaker gives up all-partisan affiliation, as in British Parliament, but remains in office until retirement, even though the majority may change.
- **On matters of Independence Case Study: Dr N. Sanjiva Reddy**, the Speaker of the fourth Lok Sabha, formally resigned from his political party.

- **V. S. Page Committee:** If the speaker conducted herself/himself in an impartial and efficient manner, she should be allowed to continue in the next parliament.
- **Role of the speaker under 10 Schedule Dinesh Goswami Committee on Electoral Reforms (1990):** The issue of disqualification should be decided by the President/ Governor on the advice of the Election Commission.
- To ensure that India improves its performance in the Democracy Index, it is important that we begin to holistically reform the Parliamentary structure, rightly beginning with the office of Speaker. As the Speaker represents the House, the House represents the nation. Hence, the Speaker becomes a symbol of the nation's freedom and liberty. Therefore he/she should be a person of outstanding ability and impartial in nature.

**The Hindu Link:**

<https://www.thehindu.com/news/national/no-consensus-on-limiting-speakers-powers/article37568443.ece>

**Question:** Once a speaker, always a speaker Do you think this practice should be adopted to impart objectivity to the office of the speaker of Lok Sabha? What could be its implications for the robust functioning of parliamentary business in India?

## Right to Protest

**Context:**

- In the wake of the violence that rocked Amravati last week, the Women and Child Welfare minister said that the violence was planned. A senior Congress leader termed the happenings as an intelligence failure. Another minister rightly said that protest and expression is anyone's right. Making it violent deliberately is not constitutional.

**ARTICLE 19**

- Article 19 guarantees freedom of speech and expression there are two significant aspects involved-
- Instrumental aspect- it acts as an instrument to promote democracy, truth and acts as a watchdog
- Intrinsic value- the article has value in itself in order to achieve the fullest capacity of an individual
- The right to peaceful protest is guaranteed under article 19 all fundamental rights to the citizens of the country
- It is implicit under the right to assemble peacefully without arms
- The right to associations becomes the right to associate for political purposes like to collectively challenge government decisions and to even aim peacefully and legally the displacement of government

- This is the basis of a multi-party system where opposition parties are valuable adversaries and not enemies and compete healthily for a political party
- The right to peacefully assemble allows political parties and citizenship bodies like University student groups to question and object to acts of government by demonstration, agitations and public meetings to launch the sustained protests

## **SUPREME COURT CASES**

### **Shreya Singhal case**

- Section 66A of the Information Technology Act was declared null and void by the apex court. The Supreme Court observed that the section was vague as it had a chilling effect on freedom of speech & expression. The court came up with the difference between discussion, advocacy and incitement

### **Anita Thakur case**

- The Supreme Court noted that organised and non-violent protests were key weapons in the struggle for independence.
- A distinguishing feature of any democracy is legitimate dissent and the court said that the right to peaceful protest is a fundamental right

### **Ramlila Maidan incident-**

- Supreme Court stated that citizens have a fundamental right to assembly and peaceful protest which cannot be taken away by an arbitrary executive or legislative action

## **DEMOCRATIC INDEX**

- The democratic index is a report published by economist intelligence unit India stands at 51st position and dropped by 10 ranks
- According to the report, the primary cause of this lowering of rank is the erosion of civil liberties in the country it also criticized the international downs and categorised India as a flawed democracy
- The report used the term democratic regression because of erosion of civil liberties, imposition of section 144

## **MASS MOVEMENTS IN INDIA**

- The movement for India's freedom was itself a mass movement
- India has witnessed a lot of mass movements in the past like the Jayaprakash Narayan movement, Anna Hazare's anti-corruption movement, Chipko movement
- New social movements Nirbhaya case farmers movement and also many leaderless movements

## **SIGNIFICANCE OF RIGHT TO PROTEST**

- There is the instrument as well as the intrinsic value attached to freedom of speech and expression
- The right to protest is implicit in other rights like the right to associate and assemble
- It facilitates active citizenship and political freedom



- Right to protest helps in keeping a check on abuse of power
- The right exercise by citizens makes law making a more inclusive and efficient process
- Example anti-citizenship amendment protest- the process became more inclusive by the mass movement it and large scale participation of students and women
- LGBT community- the consistent peaceful protest by the community led to the transformation of the constitution in the Navtej Singh Johar case and the court has taken the counter-majoritarian role

### **Electoral Federalism**

- Since the opposition is not having a major role to play in the parliament, states are becoming a strong opposition voice. State government surfing the opposition deficit
- Voters are voting in two different manners: general elections and state elections. The contradictory nature of voting also leads to the division of power

### **2 core political rights of democracies**

- **Right to vote** - the right of every citizen to elect freely the government and when dissatisfied with its performance to vote it out of power in a legitimately held election (Article 326)
- **To politically participate not only during but between elections**- the right to protest to publicly question and force the government to answer is a fundamental political right of people that flows directly from a democratic reading of Article 19

### **CHALLENGES**

#### **How are States responding?**

- According to experts, there is a different level of protests-

#### **Hot clampdown**

- The protestors are suppressed so that they will give up, this is the nature of an authoritarian state

#### **People's power**

- The protester succeed in resulting in the government's backdown
- Example- India's independence movement

#### **A cold frizzle**

- In this, the dilution of enthusiasm leads to a gradual loss of momentum among the protesters

#### **Prolonged confrontation**

- Neither the protestors nor the government is backing down. It may lead to other incidents like destruction of public property change in government's plan etc
- Example Hong Kong protests

### **WAY FORWARD**



- **The doctrine of proportionality**- according to the doctrine the punishment should not be disproportionate to the offence committed or the means that are used by the administration to obtain a particular objective or result should not be more restrictive than what is required to achieve it
- **Legislative impact assessment**-for a democratic country it is very necessary to analyse the impact of legislation on citizens. The impact assessment would make it a more inclusive and democratic process.

**The Indian Express Link:**

<https://indianexpress.com/article/cities/mumbai/amravati-violence-planned-yashomati-thakur-7631991/>

**Question:** Account for the significance of the right to protest in a democracy?

## **'Go back to committees' is the farm laws lesson**

**Context:**

- In the light of the horrendous experience of the Government over the farm laws, the present practice of not referring the Bills to committees should be reviewed.
- Lok Sabha Speaker has spoken about strengthening the committee system in the recent presiding officers' conference. One way of strengthening it is by getting all the important Bills examined by them.

**A missed step of referred bills to the committees:**

- In fact, available data shows that Bills are very rarely referred to the committees these days.
- House rules have vested the discretion in the presiding officers in the matter of referring the Bills to committees.
- No reasoned decisions of the presiding officers for not referring them are available. Since detailed examination of Bills by committees result in better laws, the presiding officers may, in the public interest, refer all Bills to the committees with few exceptions.
- Although the relevant rule is not happily worded, the intent is clear, namely, that the committee should examine all the important Bills.

**Importance of Parliamentary committees in democracy:**

- The Parliamentary committees are established to study and deal with various matters that cannot be directly handled by the legislature due to their volume.
- These committees act as a mini-parliament, as they have MPs representing different parties are elected into them through a system of the single transferable vote, in roughly the same proportion as their strength in Parliament.
- They monitor the functioning of the executive branch and provide the legislature with various policy inputs, playing an important role in Indian democracy.

- It scrutinises the accounts and the report of the Comptroller and Auditor-General of India, thereby ensuring accountability of any misspending.
- Parliamentary committees ensure executive accountability through scrutiny of public spending and various laws.
- The Public Accounts Committee is concerned with the manner and results of spending public funds.
- Although committee recommendations are not binding on the government, their reports create a public record of the consultations that took place and put pressure on the government to reconsider its stand on debatable provisions.
- By virtue of being closed-door and away from the public eye, discussions in committee meetings are also more collaborative, with MPs feeling less pressured to posture for media galleries.

#### **Decreasing role of Parliamentary committees:**

- In a parliamentary democracy, the bills of such significance are sent to parliamentary committees for closer scrutiny.
- However, 71% of the bills went to parliamentary committees between 2009 and 2014, and this dipped to only 25% between 2014 and 2019.
- Side-lining parliamentary committees are increasingly becoming the norm in India. But, given the significance of the parliamentary committee system in a democracy, it needs to be strengthened rather than rendered defunct.
- Protection of farmers is an essential part of national interest. So, in any future legislation on farmers, it is absolutely necessary to involve the systems of Parliament fully so that a balanced approach emerges.
- We must not forget that the farm Bills were not referred to either the standing committee or a joint select committee of both Houses of Parliament as has been the practice earlier.
- Other issues affecting the functioning of the committees are low attendance of MPs at meetings, too many ministries under a committee.
- Norms are not followed by most political parties while nominating MPs to committees and the constitution of DRSCs for a year leaves very little time for specialisations.

#### **Steps that need to take:**

- These farm Bills should have been referred to the standing committee on agriculture for detailed scrutiny. The committee could have held comprehensive discussions with the farmers.
- They would have thus got an opportunity to present their views before the committee and Parliament.
- In fact, their main complaint was that they were not consulted at any stage before the ordinances were issued.
- Radical changes in the farm sector without having any kind of consultation with the farmers was nothing short of adventurous.
- It is very surprising why important Bills which are coming before Parliament are not being referred to the committees.

- The experience of centuries shows that scrutiny of Bills by the committees make better laws. The case of the farm laws holds an important lesson for this Government or any government.
- According to the National Commission to Review the Working of the Constitution (NCRWC), DRSCs should be periodically reviewed so that the committees which have outlived their utility can be replaced with new ones. For example:
- Standing Committee on National Economy to provide analysis of the national economy with resources for advisory expertise, data gathering, and research facilities.
- Standing Constitution Committee to scrutinize Constitutional Amendment Bills before they are introduced in Parliament.

**Conclusion:**

- The prolonged non-violent agitation by the determined farmers and the final capitulation by a very powerful Government augur well for India's democracy.
- Although parliamentary and cabinet committees are not a part of the Constitution they ensure healthy democracy and governance through scrutiny and better policies. They enable the cabinet and Parliament to take difficult decisions.
- Proper parliamentary scrutiny of pieces of legislation is the best guarantee that sectoral interest will not jeopardise basic national interest.

**The Hindu Link:**

<https://www.thehindu.com/opinion/lead/go-back-to-committees-is-the-farm-laws-lesson/article37615210.ece>

**Question:** Why do you think the committees are considered to be useful for parliamentary work?

CivilsTap Hlmachal

# GENERAL STUDIES 3

## Economics

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### Why India needs a Ministry of Energy

#### Context:

- Experts may differ on the weightage to be given to the various reasons cited for the coal shortage earlier this month, but all will agree that the blame cannot be placed on the doors of any one entity or ministry.
- India's coal reserve is of generally 28-30 days but due to disruption in supply chains induced by monsoons and inflated global prices, the reserve has fallen to 10-14 days.
- Such shortages invariably lead to outages, some of which are already being witnessed in some pockets of the country. Demand surges and disruption in supplies can exacerbate the issue.

#### Responsibility for the coal crisis:

- The Ministry of Coal and Coal India mis-managed the production process, planning supplies or leaving vacant crucial leadership positions. But they should not be made to carry the blame alone.
- The Ministry of Power/NTPC should also accept responsibility. For they allowed coal inventories to fall below the recommended minimum in an effort to better manage their working capital.
- But they can claim they had no other option because the state government electricity distribution companies (discoms) to whom they sell power do not pay their dues on time or fully.
- The discoms point a finger at their political bosses, who compel them to sell electricity to residential and agricultural sector consumers at subsidised tariffs that do not fully cover the costs of procurement.
- This cycle of blame is the result of a structural lacuna.

#### No single unified system

- There is no one public body at the central or state government level with executive oversight, responsibility and accountability for the entirety of the coal value chain. This is a lacuna that afflicts the entire energy sector.
- It will need to be filled to not only prevent a recurrence of another coal crisis but also for the country to realise its "green" ambition.

- The word “energy” is not part of the political or administrative dictionary. As a result, there is no energy strategy with the imprimatur of executive authority.
- The NITI Aayog has produced an energy strategy. But it has no executive authority and, as was the case with the Planning Commission document “Integrated Energy Policy” published in 2006.
- But most of its recommendations are useless because their implementation will depend on the responses of the bureaucrats in various ministries (viz petroleum, coal, renewables and power) who, in general, have little incentive to do so.
- The Planning Commission document was endorsed by the Cabinet and yet the majority of the recommendations were ignored.

#### Way forward:

- Decarbonisation of economy: A decarbonised economy is based on low-carbon power sources that therefore has a minimal output of greenhouse gas (GHG) emissions into the atmosphere.
- India faces an energy and environmental problem.
- The incremental requirement of India’s energy should come from renewable energy. The Prime Minister recently announced that by 2030, India’s energy basket would have 40 percent of its needs from the renewable sector.
- In addition to traditional sectors, India is also looking at future sources of energy.
- Identifying hydrogen as a priority area for India, India should work quickly on the hydrogen mission.
- The Union Budget for 2021-22 has announced a National Hydrogen Energy Mission (NHM) that will draw up a road map for using hydrogen as an energy source. The initiative has the potential of transforming transportation.
- The usage of hydrogen will not only help India in achieving its emission goals under the Paris Agreement, but will also reduce import dependency on fossil fuels.
- India’s early efforts at CNG (compressed natural gas) blending with Hydrogen in Delhi in the transportation sector is an example.
- Statutory law for energy: The government should pass an Act captioned “The Energy Responsibility and Security Act.”
- This Act should elevate the significance of energy by granting it constitutional sanctity; it should embed in law, India’s responsibility to provide citizens access to secure, affordable and clean energy.
- It should lay out measurable metrics for monitoring the progress towards the achievement of energy independence, energy security, energy efficiency and “green” energy.
- In essence, the Act should provide the constitutional mandate and frame for the formulation and execution of an integrated energy policy.
- Creation of an omnibus Ministry of Energy to oversee the currently siloed verticals of the ministries of petroleum, coal, renewables and power. Such a ministry did exist in the early 1980s (without petroleum).



- The minister-in-charge should rank on equal footing with the ministers of defence, finance, home and external affairs.
- The PM can establish an executive department within his office; it could be referred to as the “Department of Energy Resources, Security, and Sustainability”, headed by a person of minister of state rank.
- The objective would be to formulate and execute an integrated energy policy, to leverage the weight of “India Energy Inc” and maximise India’s competitiveness in its dealing with the international energy community.
- It would, de facto, be the most powerful executive body with ultimate responsibility for navigating the “green transition”.
- In this latter context, it is important to stress the positive impact the above redesign will have on investor sentiment. Several corporations have signaled their intent to invest mega bucks in clean energy. Reliance has committed \$10 billion, Adani \$ 70 billion over 10 years; Tata Power, ReNew Power and Acme Solar have also placed their stakes in the ground. But the probability of these investments being realised would increase if the current fragmented and opaque regulatory, fiscal and commercial systems and processes were replaced by a transparent and single-point executive decision-making body for energy.

**The Indian Express Link:**

<https://indianexpress.com/article/opinion/columns/theres-a-mismatch-between-indias-graduate-aspirations-and-job-availability-7601016/>

**Question-** Diversification of India’s Energy mix and its propagation towards sustainable sources needs a coherent policy framework. Explain.

## There’s a mismatch between India’s graduate aspirations and job availability

**Context:**

- The Gross Enrollment Ratio (GER) for higher education, which is the percentage of the population between the ages of 18-23 who are enrolled, is now 27 per cent.
- GER is the number of students enrolled in a given level of education, regardless of age, expressed as a percentage of the official school-age population corresponding to the same level of education.
- The enhanced enrollment of students from weak socio-economic backgrounds is primarily a result of the extension of reservations to OBCs and EWS.
- In addition, the massive increase in the number of higher education institutions has led to an enlargement of the number of available seats. There are more than 45,000 universities and colleges in the country.
- A majority of the students are aiming to get some kind of a government job post their degree.

- And, this is where there is a huge mismatch between students' aspirations and what they are likely to attain.

**Concerns:**

- Employment opportunities in the government have not increased proportionally and may, in fact, have decreased with increased contractualisation.
- Even in the private sector, though the jobs have increased with economic growth, most of the jobs are contractual.
- Unemployment: One in every five Indian who graduate (or even better) is unemployed. It is almost as if the economy penalises you for getting educated.
- In comparison, those with graduation (or even higher degrees) face almost three-times the unemployment level.
- Low paying jobs: The highest increase in jobs is at the lowest end, especially in the services sector — delivery boys for e-commerce or fast food for instance.
- A student who has finished his college against all odds is not very keen to take up a job in a call centre or worse as a delivery agent for e-commerce or fast food.
- On the one hand, companies in India face an acute shortage of skilled manpower and, on the other, India has millions of educated unemployed. The industry always complains about the shortage of skilled labour in the country.
- Social unrest: There is a huge pool of unemployed university graduates with unfulfilled aspirations. This group of dissatisfied, disgruntled youth can lead to disastrous consequences for our society.
- Over 90% of India's workforce is in the informal sector. India is trapped in a vicious cycle: Greater workforce informality leads to lower incentives to acquire new skills.
- Faced with inadequately skilled workers, businesses often choose replacing labour with machinery.
- That's because "skilled labour and technology are complementary, but unskilled labour and technology are substitutes". This, in turn, leads to still fewer formal jobs.
- Millions of Indians who work in agriculture continue to subsist because they do not have the skills to take up industrial or services sector jobs even as these sectors themselves have failed to create adequate job opportunities.
- Poor quality of ITIs: Industrial Training Institutes (ITI) and Industrial Training Centers (ITC) are post-secondary schools in India constituted under Directorate General of Training (DGT), Ministry of Skill Development and Entrepreneurship, Union Government to provide training in various trades.
- There are more than 15,000 Industrial Training Institutes (ITIs) in the country currently.
- These institutions provide training in various trades like air conditioning mechanic, electrician, mechanic etc.
- The quality of these of course is very uneven.
- They are also, by and large, poorly maintained and lacking in resources, both physical and human.

- The curriculum remains outdated and has not been upgraded to include some of the newer skills like maintaining networking and telecom equipment.
- There is a huge competition for admission into these institutions, and polytechnics.
- In some places, it is harder to get into these than to get admission to the local government college.
- Manufacturing units prefer hiring them for blue-collar jobs since they at least have the least training.
- In addition, the pass-outs from ITIs also have the option of being self-employed in the various service-related sectors.
- A distinct disadvantage with India's approach towards skilling has been to ignore the demands of the market. For the most part, skills have been provided in a top down fashion. Thus, most skilling efforts focus almost solely on providing certain skills but fail to "match" them with the needs of the market.

**Way forward:**

- A concurrent increase in the number of high-quality vocational institutions can be done.
- Upgrading the existing ITIs, opening many more new ones with high-quality infrastructure and updated curriculum is something which should be done urgently.
- There is a scheme to upgrade some ITIs to model ITIs. However, what is required is not a selective approach but a more broad-based one that uplifts the standards of all of them besides adding many more new ones.
- Industry may provide funding (via the CSR route) as well as equipment, training for the faculty and internships for students.
- And surely, if the government can spend thousands of crores on existing and hypothetical Institutes of Eminence, funds should not be an issue for this exercise which, coupled with our demographic dividend can be a boon for the economy and the society.

**The Indian Express Link:**

<https://indianexpress.com/article/opinion/columns/india-graduates-aspirations-and-job-availability-7600991/>

**Question-** Skill gap in the Indian working age is a major cause of unemployment. Comment

## Electricity (Amendment) Bill, 2021

**Context:**

- Recently, India's power demand broke a daily threshold of 200 GW, setting a new record that will surely be broken in the years to come.
- To manage this surge and other equally significant developments in the power distribution sector, there's a need for a paradigm shift in the energy model.

- A key change in India's energy model, which will aid and support these developments, is coming up in the shape of the Electricity (Amendment) Bill, 2021.

### **Key points of the Electricity (Amendment) Bill, 2021**

- It proposes to de-licence electricity distribution and let the consumer choose what kind of electric energy to use and whom to buy it from.
- It seeks privatisation of discoms (distribution companies) by way of sub-licensing & franchisees.
- According to the draft, state commissions will determine tariff for retail sale of electricity without any subsidy under Section 65 of the Act and the tariff should reflect the cost of supply of electricity and cross-subsidies to be reduced.
- Electricity Contract Enforcement Authority to adjudicate on contract-related disputes; a common selection committee for the State Electricity Regulatory Commissions.
- The Appellate Authority to ensure release of timely and cost reflective tariff orders;
- An adherence to the National Electricity Tariff Policy
- A subsidy mechanism (DBT) where it will go directly to the consumers.

### **Need for the Act:**

- The de-licensing of power generation: Since 2003, India's power generating capacity has grown nearly four-folds to around 385 GW today.
- The growth of the Indian economy that followed, and its emergence as the sixth-largest economy in the world, was due to India becoming a power surplus country.
- The power reforms remained incomplete. The last mile connect with the consumer, electricity distribution is operating at sub-optimal efficiency through distribution monopolies (discoms).
- No choices for consumers: India's power distribution sector is currently structured in a way that does not give consumers any choice in terms of who they want to buy electricity from.
- It could be a State Electricity Board (SEB) or private player, but the consumers are forced to buy power from one discom.
- That is irrespective of whether the customer likes the quality of power, the electricity tariff, or the various choices on renewables, like rooftop solar, that some discoms provide and others do not.
- A monopoly creates inefficiencies and these in the power distribution sector have had serious financial consequences.
- Financial losses: Today, an estimated ₹94,000 crore is owed by various state-owned discoms to power generating companies (gencos) across the country.
- This happens when discoms are not able to properly bill for energy supplied and collect the monies.
- If money had been paid to the power generating companies on time, it could not only have led to additional generating capacity, especially renewables, but also funded the bills for the input suppliers to these gencos.

### **Significance:**

- Green energy: The Indian power sector as a whole is in a critical phase, as major changes will be witnessed across its value chain, moving from thermal or fossil-fuel fired generation to renewables.
- The country has already achieved 100 GW of renewable energy capacity and is moving closer to the 175 GW target, which hopefully will be achieved by 2022.
- We have an even bigger target of building 450 GW of renewable energy capacity by 2030.
- Tackling the unfinished task of reforming electricity distribution by opening it up will certainly help us realise these ambitious dreams.
- The consumer- and investment-friendly reforms proposed in the new Bill will not just create choice for consumers but also more efficient power distribution utilities.
- It will also attract investments from global capital sources interested in implementing future technologies, particularly in areas like clean energy and digital technologies.
- By ensuring capital into electricity distribution, these reforms can become a direct enabler for a more sustainable energy sector in India.
- In fact, a beginning has already been made by starting the privatisation process of discoms in Union Territories, where many power sector players participated.
- It is now a little more than three decades since India started opening up and liberalising the economy, and in the 75th year of Independence, the electricity distribution reforms will play a key role in helping the government achieve its ambitious goal of powering every home, shop, office, industrial unit and village with quality and reliable electricity supply. And that, in turn, would be crucial in achieving the larger economic goal of making India a \$5-trillion economy.

**The Hindu Link:**

<https://www.thehindubusinessline.com/opinion/time-to-unshackle-power-distribution/article37289400.ece>

**Question-** Giving the provisions of Electricity (Amendment) Bill, 2021, explain how can it impact the energy model of the country.

## 1-billion-tonne emissions cut: Why it's a big leap forward

**Context:**

- India will achieve net-zero emissions by 2070, Prime Minister said in CoP Glasgow. He was speaking at the 'High Level Segment for Heads of State and Government' during the UNFCCC's 26th Conference of Parties (COP).

**Key points**



- He also raised the Nationally Determined Contribution (NDC) of achieving 450 gigawatt non-fossil energy capacity to 500 gigawatt, among other commitments including reducing carbon emissions.
- PM announced India's four other commitments — all by 2030. He called them the "gift of five elixirs" (panchamrit).
- These are:
  - increasing non-fossil energy capacity to 500 gigawatts (GW),
  - fulfilling 50 percent of energy requirements from renewable sources,
  - reducing carbon intensity of economy by 45 per cent, and
  - reducing total projected carbon emissions by 1 billion tonnes.
- The PM also outlined the Indian Railways' commitment of net-zero by 2030, and its ambition of installing 450 GW of renewable energy capacity.
- Climate finance: To achieve its climate goals, PM said India expected developed countries "to make \$1 trillion available as climate finance as soon as possible".
- Today, as we track the progress on climate mitigation, the same way we must track climate finance.

### Net Zero

- It is a state in which a country's total emissions are offset by absorptions of carbon dioxide from the atmosphere, like that done by trees and forests, and physical removal of carbon dioxide through futuristic technologies.
- More than 70 countries have promised to become Net Zero by the middle of the century, and this is being considered vital for meeting the Paris Agreement goal of keeping global temperatures within 2 degrees Celsius from pre-industrial times.

### Nationally Determined Contribution (NDC)

- The NDC is a legally binding, self-determined target that countries make to help slow climate change.
- As part of the Paris Agreement, signed at the 21st COP in 2015, countries must review and update their NDCs every five years.
- **In 2015, India made three pledges:**
  - an economy-wide emissions intensity target of 33–35 per cent below 2005 levels;
  - an electric power capacity target of 40 per cent installed capacity from non-fossil-based energy resources by 2030; and
  - a carbon sink expansion target of creating an additional (cumulative) carbon sink capable of absorbing 2.5-3 gigatonnes of carbon dioxide equivalent through additional forest and tree cover by 2030.

- Of the 194 parties that signed the Paris Agreement, over 143 have updated their NDCs. India, however, hasn't yet done so.

#### India's progress

- The installed renewable capacity has been growing rapidly in the last few years, and the enhancement from 450 GW to 500 GW is not likely to be very challenging.
- The increase in proportion of renewable energy sources in India's electricity generation to 50 per cent is a natural corollary of this.
- Most of the new capacity additions in the energy sector are being done in the renewable and non-fossil fuel space.
- India has already said it does not plan to start any new coal power plants after 2022. As of now, India was already targeting 40 per cent electricity production through non-fossil fuel sources by 2030.

#### Significance:

- The commitment is significant since India is the third-largest emitter of carbon dioxide in the world, after China and the US.
- The most substantive new commitment relates to the 1-billion-tonne reduction in its total projected emissions from now until 2030. This is the first time that India has taken any climate target in terms of its absolute emissions.
- Though it's not a direct emission reduction target.
- According to the World Resources Institute, India's total greenhouse gas emissions were about 3.3 billion tonnes in 2018. It's projected to rise above 4 billion tonnes per year by 2030.
- Cutting 1 billion tonnes would, therefore, represent a reduction of 2.5 to 3 per cent in its absolute emissions in the business-as-usual scenario in the next nine years.
- India had been under pressure from developed states like the US to raise its climate ambitions and commit to a net-zero target by 2050. India finally relented and decided to take up a target.
- Reducing 1 billion tonnes of emissions by 2030 and expanding non-fossils capacity to 500 GW are enormous and transformative steps.
- India had demonstrated climate leadership and now the ball was in the court of the developed world to raise its ambition, particularly, in matters of climate finance.
- Now India demands US \$1 trillion in climate finance as soon as possible and will monitor not just climate action but also climate finance.

#### The Indian Express Link:

<https://indianexpress.com/article/explained/climate-change-carbon-emissions-cut-narendra-modi-7603315/>

**Question-** India's commitment at COP-26 held in Glasgow provide a roadmap of India towards achieving net zero emissions by 2070. Explain.

## Telecom reforms not sweeping enough

### Context:

- Recently, the Cabinet approved several measures to extend a lifeline to the cash-strapped telecom sector. But they are not enough.

### Background:

- There are nine structural reforms and five procedural reforms for the sector. It includes
- A four-year moratorium on all spectrum and AGR dues
- The redefinition of adjusted gross revenue (AGR), prospectively, not retrospectively.
- AGR calculations would exclude all non-telecom revenue from now and penalties had been completely scrapped.
- Equity option for paying dues:
- The change in definition that will reduce the burden on telcos, applies only prospectively, so those past dues remain payable.
- Interest on those dues will now be compounded annually instead of monthly and the Minister said interest would be charged at a 'reasonable' rate of MCLR plus 2%.
- MCLR refers to the lowest lending rate banks are permitted to offer — the marginal cost of funds-based lending rate.
- Companies have the option of doing this through equity. And the government has retained the option of converting remaining dues at the end of the moratorium period too, to equity.
- A fixed calendar for spectrum auctions with an extended tenure of 30 years for future spectrum allocations, and a mechanism to surrender and share spectrum.
- The enhancement of the life of spectrum by 10 years,
- The removal of a financial constraint to spectrum sharing,
- Foreign direct investment (FDI) in the sector has also been allowed up to 100% under the automatic route, from the existing limit of 49%.

### Issue of Adjusted gross revenue (AGR)

- The AGR is divided into spectrum usage charges and licensing fees, pegged between 3-5 percent and 8 percent respectively.
- As per DoT, the charges are calculated based on all revenues earned by a telco – including non-telecom related sources such as deposit interests and asset sales.
- Telcos, on their part, insist that AGR should comprise only the revenues generated from telecom services. In any country, the licence fee is not more than 3%.
- The apex court had upheld DoT's definition of AGR, and said that all telcos must pay their dues.
- None of the telcos, however, paid the said dues by the stipulated deadline, in hopes of a bailout package by the DoT.
- This order added to the stress of the telecom industry which was already reeling under a debt of over ₹4 lakh crore and was seeking a relief package from the government.

#### **Significance of the telecom reforms:**

- It should ensure that the sector does not become a duopoly of Airtel and Jio and encourage companies to invest in customer service and new technology.
- The announcements would pave the way for large scale investments into the sector, including for 5G technology deployment, and generate more jobs.
- Digital India goal: The telecom sector is one of the prime movers of the economy and the measures announced by the government would enable the industry to achieve the goals of Digital India.
- The moratorium on AGR dues provides an annual cash flow breather of around ₹14,000 crore for the industry while the moratorium on spectrum dues gives another ₹32,000 crore of annual cash flow relief as a whole.
- According to Telecom Regulatory Authority of India's, 'Yearly Performance Indicators – Indian Telecom Sector, 2020', the country's wireless tele-density in 2020 was high at 84.90 per cent. It comprises urban and rural tele-densities of 134.34 and 58.75 per cent, respectively.

#### **Concerns:**

- The package, however, does have positive features such as
- exclusion of non-telecom revenues from the levy on adjusted gross revenue (AGR),
- lengthening of tenure of spectrum to 30 years from 20 in future auctions, and
- Abolition of spectrum usage charge (SUC) for spectrum acquired in future auctions.
- The four-year AGR moratorium will provide temporary cash flow relief to telecom companies (telcos).
- However, the telcos are required to pay an interest of MCLR plus 2 percent, which is currently 9 per cent, on their AGR dues during the moratorium, so that the government's receipts are 'NPV protected'.
- NPV, or net present value, is the current value of a future stream of payments discounted at the applicable interest rate.



- When the interest rates on long term retail home loans range from 6.5 to 7 per cent, the 9 per cent interest for a four-year moratorium is excessive.
- Telecom levies in India are higher than in most developing Asian economies.
- The government must roll back the interest on AGR.
- The government is already burdened with two loss-making telcos — BSNL and MTNL. Acquiring equity stakes in more struggling telcos is imprudent.
- In India, telcos have tended to compete on the basis of price, a practice that intensified with the entry of Reliance Jio in 2015-16.
- The average revenue per user (ARPU) realised by Indian telcos in 2020 was 39-58 per cent lower than those by telecoms domiciled in countries in a comparable stage of development — Indonesia and the Philippines..
- High spectrum prices have resulted in Indian telcos accumulating excessive liabilities including debt and forking out a higher share of revenues as interest payments.
- India's high corporate tax rate is the second highest among the BRICS and ASEAN countries.

**Way forward:**

- The government should consider reversing its decision to potentially convert AGR dues to equity at the end of the moratorium period.
- It should compensate telecoms for catering to rural customers and those belonging to economically weaker sections (EWS) as part of the second tranche of reforms.
- This may demonstrate the government's commitment to maintain the telecom industry's competitive landscape and would not result in a cash outflow for the government.
- Utilizing USOF: The government compensating telcos for catering to rural and EWS customers should not be an issue due to the ₹58,809.56 crore (\$7.81 billion) available in the Universal Service Obligation Fund (USOF).
- The objective of USOF is to provide access to telecom services in a non-discriminatory manner to people in rural and remote areas at affordable and reasonable prices, thereby bridging the rural-urban digital divide.
- The USOF is financed through the collection of Universal Access Levy (UAL) at 5 per cent of AGR from telecoms.
- The USOF, which was set up in FY2003, has collected ₹1,19,735.16 crore up to August 31, 2021, of which it has disbursed close to 51 per cent or ₹60,925.59 crore on projects to build telecom infrastructure, provision of land lines and mobile phones and broad band in rural and remote areas.
- Expand the scope of USOF to include provision of telecom services to EWS and compensate telcos for catering to rural and EWS subscribers.
- In the absence of competitive tariffs, a digital divide would have not only segregated urban and rural areas but also those above and below the poverty line.



- Good governance practices: The DoT, as a good governance practice, must periodically report the quantum and nature of USOF investments and the resultant income earned.
- The tariff regime still needs a reboot for players to sustain operations. A sustainable tariff regime is needed to ensure the industry gets a fair return. This will in turn allow it to continue investing in new technologies and innovation to bring world-class services to customers.

**The Hindu Link:**

<https://www.thehindubusinessline.com/opinion/telecom-reforms-not-sweeping-enough/article37309140.ece>

**Question-** Despite continuous interventions, telecom sector has not been able to perform at its potential. Explain the issues being faced by telecom sector in India.

## Issues with DISCOMS

**Context:**

- Increasing push towards solar energy, shifting of hitherto cross-subsidising private entities to renewable energy has compounded the perilous position of utilities making the need for reforms more urgent.

**Background:**

- Distribution Companies (DisComs) are the utilities that typically buy power from generators and retail these to consumers.
- For all of India's global leadership for growth of renewable energy, or ambitions of smart energy, the buck stops with the DisComs.
- The days of scarcity of power are over.
- The physical supply situation has mostly improved.
- But the financial picture has not brightened much.

**Analysing the data on liabilities of the DisComs**

- ₹90,000 crore (later upgraded to ₹1,25,000 crore) was earmarked for DisComs in ₹20-lakh crore package announced in the wake of Covid-19's economic shock.
- The Power Finance Corporation (PFC)'s Report on Utility Workings for 2018-19 showed dues to generators were ₹2,27,000 crore, and this is well before COVID-19.
- It also showed similar Other Current Liabilities.

- DisComs have delayed their payments upstream (not just to generators but others as well) — in essence, treating payables like an informal loan.

### Impact of Covid pandemic

- COVID-19 has completely shattered incoming cash flows to utilities.
- The revenue implications were far worse since the lockdown disproportionately impacted revenues from so-termed paying customers, commercial and industrial segments.
- Reduced demand for electricity did not save as much because a large fraction of DisCom cost structures are locked in through Power Purchase Agreements (PPAs) that obligate capital cost payments, leaving only fuel savings with lower offtake.

### Way forward

- We will probably need a much larger liquidity infusion than has been announced thus far, but it also must go hand-in-hand with credible plans to pay down growing debt. We need a complete overhaul of the regulation of electricity companies and their deliverables. We need to apply common sense metrics of lifeline electricity supply instead of the political doleout of free electricity even for those who may not deserve such support. For the rest, regulators must allow cost-covering tariffs.

#### The Indian Express Link:

<https://indianexpress.com/article/opinion/columns/indias-power-discoms-are-at-a-critical-point/>

**Question-** Healthy financial situation of Discoms is a necessity to ensure a resilient energy sector. Explain.

## What links oil and food prices

### Context:

- Recently, the UN Food and Agriculture Organisation released data showing its world Food Price Index (FPI) averaging 133.2 points in October 2021, the highest since July 2011.

### Fuel and food

- One reason why petroleum and agri-commodity prices move in tandem is the bio-fuels link.
- When crude prices rise, blending ethanol from sugarcane and corn (maize) with petrol or diverting palm and soyabean oil for biodiesel production becomes that much more attractive.
- Cotton, likewise, turns relatively affordable vis-à-vis petrochemicals-based synthetic fibres. Also, since corn is primarily an animal feed, its diversion to ethanol leads to substitution by other grains, including wheat, for livestock use. That, then, pushes up prices of foodgrains as well.
- The same happens to sugar, as mills step up the proportion of cane crushed for fermenting into alcohol.

- The present global cotton rates of 125 cents-plus per pound were last seen in July 2011. Corn and sugar prices, too, are ruling way higher compared to a year ago.
- But it isn't the bio-fuels effect alone: Large price increases also tend to rub off on other farm produce through creation of positive "sentiment".
- International coffee prices have nearly doubled in the last one year and, like most other agri-commodities, also strengthened along with crude oil in the last three months.
- Economic activity and stimuli.
- "Sentiment" is, in turn, connected with two things.
- The first is, demand returning with revival of economic activity worldwide amid receding pandemic cases and rising vaccination rates.
- The second is the flood of liquidity unleashed by the US Federal Reserve and other global central banks, to limit the economic damage wreaked by Covid-19.
- The US Fed's total assets (mainly government bonds and mortgage-backed securities that it buys) on its balance sheet has expanded from \$4241.51 billion to \$8,574.87 billion between March 2, 2020 and November 1, 2021.
- All this money, combined with the policy-induced ultra-low global interest rates, has found its way into stock markets, start-up investments and also commodities.
- And since restoration of supply chains hasn't kept pace with the demand recovery (manifested in congestion at ports, shortage of shipping containers/vessels and labourers yet to fully return to plantations) the overall result has been inflation.

#### **Impact on farmers**

- The surge in international prices benefited producers, especially farmers.
- Kapas (raw unginned cotton) is today selling at Rs 7,500-8,000 per quintal in Rajkot market (Gujarat), well above the government's minimum support price (MSP) of Rs 6,025 for long-staple varieties.
- Soyabean growers are similarly realising Rs 5,000-plus per quintal rates in markets such as Ujjain (Madhya Pradesh) and Latur (Maharashtra), against the MSP of 3,950.
- On the flip side, however, farmers are being forced to pay much more for fuel and fertilisers, as their international prices also have shot up.

#### **Fertilizers**

- The situation is worse in fertilisers.
- Di-ammonium phosphate (DAP) is currently being imported into India at \$800 per tonne, including of cost and ocean freight.
- Muriate of potash (MOP) is available for no less than \$450 a tonne.
- These are close to the prices that prevailed during the world food crisis of 2007-08.
- Landed prices of urea, on the other hand, have crossed unheard-of levels of \$900 per tonne.

- Together with fertilisers, the prices of their intermediates and raw materials such as rock phosphate, sulphur, phosphoric acid and ammonia have also skyrocketed due to a combination of demand-pull (from higher crop plantings) and cost-push (from oil and gas).
- There is a huge challenge for the government to make fertilisers (particularly phosphatic and potassic nutrients) available in reasonable quantities, to enable farmers meet the requirements for their wheat, mustard, potato, onions and rabi pulses crops.
- That would matter for food prices down the line — at a time when fuel and fertilisers are also on fire.
- Reason behind the fuel price rise
- The price of Brent Crude breached the \$85 per barrel mark, reaching its highest level since 2018 on the back of a sharp increase in global demand as the world economy recovers from the pandemic.
- Key oil producing countries have kept crude oil supplies on a gradually increasing production schedule despite a sharp increase in global crude oil prices.
- The price of Brent crude has nearly doubled compared to the price of \$42.5 per barrel a year ago.
- Recently, the OPEC+ group of oil producing countries reaffirmed that they would increase total crude oil supply by only 400,000 barrels per day in November 2021 despite a sharp increase in prices.
- The output of the top oil-producing countries – Saudi Arabia, Russia, Iraq, UAE and Kuwait — would still be about 14 per cent lower than reference levels of production post the increase in November 2021.
- OPEC+ had agreed to sharp cuts in supply in 2020 in response to Covid-19 global travel restrictions in 2020 but the organisation has been slow to boost production as demand has recovered.
- India and other oil importing nations have called on OPEC+ to boost oil supply faster, arguing that elevated crude oil prices could undermine the recovery of the global economy.
- Supply side issues in the US including disruptions caused by hurricane Ida and lower than expected natural gas supplies from Russia amid increasing demand in Europe have raised the prospect of natural gas shortages in the winter.
- International coal prices have also reached all-time highs as China faces a coal shortage that has led to factories across China facing power outages.
- A faster than expected recovery in global demand has pushed the price of Indonesian coal up from about \$60 per tonne in March to about \$200 per tonne in October.

#### **Overall Impact on India**

- High crude oil prices have contributed to the prices of petrol and diesel regularly setting new record highs across the country in 2021.
- India has seen a faster recovery in the consumption of petrol than of diesel after pandemic-related restrictions with petrol consumption up 9 per cent in September compared to the year ago period but diesel consumption remaining 6.5 per cent below 2020 levels.
- Diesel accounts for about 38 per cent of petroleum product consumption in India and is a key fuel used in industry and agriculture.
- S&P Global Platts Analytics noted in a report;

- Demand for diesel in India was expected to go up in the next few months with the upcoming festive season set to accelerate the economic recovery and push up diesel consumption.
- However predict that India's total demand for crude oil would only surpass pre pandemic levels in 2022.
- High international gas prices have led to an upward revision in the price of domestically produced natural gas.
- The Petroleum Planning and Analysis Cell (PPAC) set the price of natural gas produced by state owned ONGC and Oil India under the nomination regime to \$2.9 per mmbtu up from \$1.79 per mmbtu in the previous six month period.
- The PPAC also increased ceiling price of \$6.13 per mmbtu for gas extracted from ultra-deep water, and high pressure, high temperature discoveries from \$3.62 per mmbtu in the previous six month period.
- The increase in gas prices has put upward pressure on the price of both Compressed Natural Gas (CNG) used as a transport fuel and Piped Natural Gas (PNG) used as a cooking fuel.
- High international prices of coal have added to a coal shortage at India's thermal power plants by forcing thermal plants using imported coal that could not pass on the higher price of coal to procurers to stop supplying power.
- Low coal stocks at a number of coal fired thermal power plants have led to power outages in a number of states including Punjab and Rajasthan and have forced states to buy power at well above normal prices on the power exchange.

**The Indian Express Link:**

<https://indianexpress.com/article/explained/simply-put-what-links-oil-and-food-prices-7611933/>

**Question-** Rising fuel prices and food inflation are interlinked. Comment.

## World Trade Organization (WTO)'s 12th Ministerial Conference (MC12)

**Context:**

- The World Trade Organization (WTO)'s 12th Ministerial Conference (MC12) will be convened in Geneva, Switzerland. Earlier it was scheduled to be held in Kazakhstan (June 2020) but postponed due to the novel coronavirus pandemic).
- MC12 needs to consider how the economically weaker countries "can secure a share in the growth in international trade according to the needs of their economic development",
- It is an objective that is mandated by the Marrakesh Agreement Establishing the World Trade Organization.
- The Marrakesh Agreement of 1994 is the culmination of the GATT's Uruguay Round that was introduced in 1986 and led to the establishment of the World Trade Organisation (WTO).



- The General Agreement on Tariffs and Trade (GATT) 1994 is an international treaty binding upon all WTO Members. It is only concerned with trade in goods.
- The General Agreement on Tariffs and Trade (GATT) traces its origins to the 1944 Bretton Woods Conference.
- On 1 January 1995, the WTO replaced GATT, which had been in existence since 1947, as the organization overseeing the multilateral trading system.

**Key issues:**

- Fisheries: The current drafts on this issue are completely unbalanced as they do not provide means to rein in large-scale commercial fishing that are depleting fish stocks the world over. It is threatening the livelihoods of small fishermen in countries such as India.
- E-commerce: In recent months, the proposal by the members of the Organisation for Economic Co-operation and Development and the G-20 members to introduce global minimum taxes on digital companies has made headlines.
- Discussions on e-commerce have been held in the WTO since 1998 after the adoption of the Ministerial Declaration on Global Electronic Commerce. WTO members had agreed to continue the practice of not imposing customs duties on electronic transmissions.
- The more substantive outcome was the decision to “establish a comprehensive work programme” taking into “account the economic, financial, and development needs of developing countries”.
- Currently “development needs of developing countries”, is entirely missing from the text document that is the basis for the current negotiations.
- On the negotiating table are issues relating to the liberalisation of the goods and services trade, and guarantee for free flow of data across international boundaries. This is all aimed at facilitating expansion of businesses of e-commerce firms.
- The sole objective of the negotiations on e-commerce is to facilitate expansion of e-commerce firms.
- **IPRs and vaccine issue**
- Intellectual Property Rights (IPRs) protected using the provisions of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) are formidable barriers to ensuring equitable access to vaccines.
- Pharmaceutical companies controlling the global markets have used monopoly rights granted by their IPRs to deny developing countries access to technologies and know-how.
- This undermines the possibility of production of vaccines in these countries.
- The involvement of developing countries in vaccine production could have increased supplies of affordable vaccines to the low-income countries.
- Availability of vaccines remains a critical problem in these countries even after a year since the first dose of COVID-19 vaccine was administered.
- Recent statistics show that until now, a mere 4.1% of the population in low-income countries have received at least one dose of the vaccine.

- India and South Africa had tabled a proposal in the WTO in October 2020, for waiving enforcement of several forms of IPRs on health products and technologies useful for COVID-19 treatment.
- By doing so, barriers created by IPRs to timely access to affordable medical products could be removed.
- This proposal, supported by nearly two-thirds of the organisation's membership, was opposed by the developed countries batting for their corporates.
- Divisions over investment: The current focus of the WTO to promote the global interests of oligopolies is the initiative for the adoption of an investment facilitation agreement. An oligopoly is a market form wherein a market or industry is dominated by a small group of large sellers.
- In 2001, the Doha Ministerial Declaration had included a work programme on investment but developing countries were opposed to its continuation because it favoured expanding the rights of foreign investors through a multilateral agreement on investment.
- Its ultimate objective was to bind host governments into a multilaterally agreed commitment to comprehensively protect investor interests.

**Concerns:**

- Besides the bias in favour of global oligopolies, the current negotiating processes in the WTO are fundamentally flawed.
- The negotiations on e-commerce and investment facilitation are being conducted not by a mandate given by the entire membership of the WTO in a transparent manner.
- Instead, these negotiations owe their origins to the so-called "Joint Statement Initiatives" (JSI) in which a section of the membership has developed the agenda with a view to producing agreements in the WTO.
- This will then be offered to the rest of the member nations on a "take-it-or-leave-it" basis.
- This entire process is "detrimental to the very existence of a rule-based multilateral trading system under the WTO".
- Recent WTO estimates show that global trade volumes could expand by almost 11% in 2021, and by nearly 5% in 2022, and could stabilise at a level higher than the pre-COVID-19 trend. The buoyancy in trade volumes has played an important role in supporting growth in economies such as India where domestic demand has not yet picked up sufficiently. Therefore, these favourable conditions provide an ideal setting to revisit trade rules and to agree on a work programme for the organisation, which can help maintain the momentum in trade growth.

**The Hindu link-**

<https://www.thehindu.com/opinion/lead/charting-a-trade-route-after-the-mc12/article37347786.ece>

**Question-**

Describe the issues under the ambit of World Trade Organization (WTO) that still need to be resolved.

## Why a bad bank needs a sunset clause

### Context:

- Recently, the Reserve Bank of India gave license to National Asset Reconstruction Company Limited (NARCL), popularly known as a bad bank.

### About National Asset Reconstruction Company Limited (NARCL)

- The plan is to create a bad bank to house bad loans of ₹500 crore and above, in a structure that will contain an asset reconstruction company (ARC) and an asset management company (AMC) to manage and recover dud assets.
- The new entity is being created in collaboration with both public and private sector banks.
- The proposed bad bank will have a public sector character and majority ownership is likely to rest with state-owned banks.
- The objective of the bad bank is to establish a liquid market for Non-Performing Assets (NPAs) so that banks will be able to sell their NPAs at a reasonable price.
- The biggest advantage of NARCL would be an aggregation of identified NPAs (non-performing assets).
- NARCL, through its service company/operational entity India Debt Resolution Company Ltd (IDRCL), will manage the resolutions of these NPAs.
- The NARCL will acquire these stressed assets through 15 per cent cash and 85 per cent security receipts (SRs) in a phased manner. ₹90,000 crore of the asset will be managed in the first phase.
- A government guarantee will back the SRs for a maximum amount of ₹30,600 crore, and the guarantee will be valid for a resolution period of five years.

### Initiatives for NPAs recovery in India

- Debt recovery tribunals under the Recovery of Debts Due to Banks and Financial Institutions (RDDBFI) Act in 1993
- Asset reconstruction companies (ARCs) as a part of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act) in 2002, and
- The Insolvency and Bankruptcy Code (IBC) in 2016.

### Need for a Bad bank

- Currently, the Indian banking system has one of the highest gross non-performing assets (GNPA) to total asset ratio globally.
- Post-covid stress scenarios estimated by the RBI pegs it at an aggregate GNPA ratio in the range of 12.5- 14.7 per cent.
- Lack of liquidity: The secondary market of the Security Receipts (SRs) issued by the existing ARCs is quite illiquid.

- There is a dominance of the selling-bank in holding SRs, resulting in a limited demand for SR by other qualified investors.
- The main reason for the limited demand is the average low debt recovery rate of only 27.8 per cent, with the most recent 2019-20 showing a debt recovery rate of 26.7 per cent.
- The NARCL is essentially an ARC with only two distinguishing features
- NARCL is intended for dealing in big sized tickets, and
- NARCL has a partial government guarantee.

### Challenges for Bad Bank

- International examples show that the effectiveness of ARCs hinges on:
- A focused mandate for setting up the arcs,
- Limited lifespan of the ARC,
- Market-based resolution of npas.
- No fixed life span: NARCL has a focused mandate as stated in its proposal to acquire ₹2 lakh crore worth of stressed assets, but the absence of a clause about the lifespan of NARCL may lead to a moral hazard problem.
- Evergreening of Bad loans: Public sector banks (PSBs), who own 51 per cent stake in NARCL, may continue buying their own stressed assets through NARCL leading to the propagation and evergreening of bad loans.
- The government guarantee of ₹30,600 crore is insufficient in providing liquidity and creating a market for the NPAs.

### Way forward:

- Specific mandate for the bad bank: A bad bank must have a specific, narrow mandate with clearly defined goals. Transferring NPLs to a bad bank is not a solution in itself. There must be a clear resolution strategy.
- Sunset clause: Government should address the lifespan issue of NARCL in the form of a sunset clause; a bad bank for perpetuity will pose long-term risks to the financial stability of a country, like Huarong in China.
- There should be a fair and transparent mechanism while setting the haircut on the stressed assets by the NARCL.
- A haircut, in this context, refers to the shortfall in recovery of the creditors in comparison to their claims submitted before the insolvency professional, as part of the insolvency resolution process of a borrower.
- Minimizing exposure to bad loans: Indian banks remain exposed to these bad loans even after they are transferred to asset reconstruction companies (ARCs).
- To address this problem, RBI has tightened bank provisioning while liberalising foreign portfolio investment norms.



- Policymakers must ensure that the creation of the NARCL does not reverse this trend.
- Removing multiple ARCs: The resolution of bad loans should happen through a market mechanism and not through a multitude of bad banks.
- In India, the Narasimham Committee (1998) had envisaged a single ARC as a bad bank.
- Yet, the SARFAESI Act, 2002 created multiple, privately owned ARCs.
- ARCs should be allowed to purchase stressed assets from mutual funds, insurance companies, and bond investors.
- The pricing mechanism should ensure that the net asset value (NAV) of the SRs is fairly priced, which will boost the participation and liquidity in the SR market.
- While setting up a bad bank in the form of NARCL is a step in the right direction towards financial sector reforms; NARCL is just a palliative; it is neither a cure nor does it prohibit bad loans. Unless there is a strong political will to recognise bad loans and support legal infrastructure to address wilful defaulters, setting up a bad bank may become a moot point.

**The Hindu Link:**

<https://www.thehindubusinessline.com/opinion/why-a-bad-bank-needs-a-sunset-clause/article37424464.ece>

**Question-** A bad bank cannot be the panacea to the issue of Non-Performing Assets in the banking sector. Comment.

## National River Interlinking Project

**Context:**

- The Centre has set in motion the process of creating the National Interlinking of Rivers Authority (NIRA), an independent autonomous body for planning, investigation, financing and the implementation of the river interlinking projects in the country. NIRA, to be headed by a Government of India Secretary-rank officer, will replace the existing National Water Development Agency (NWDA) and will function as an umbrella body for all river linking projects

### ABOUT NATIONAL RIVER INTERLINKING PROJECT

- National river linking project aims transfer of water to deficit water basins from water surplus basins by interbasin transfer projects
- The deficit basins are where there are conditions of drought or scarcity of water. The surplus basins aware after the needs of population there is the availability of extra water
- Supreme Court directed the central government to start working on interlinking of major rivers in 2002
- A task force was created and year 2016 was set as a deadline to complete the project for linking 37 rivers



- The national river interlinking project consists of 30 links for connecting 37 rivers through a network of about 3000 storage dams that would lead to the formation of a South Asian water grid
- The project would be under the control of the national water development agency under the ministry of Jal Shakti
- There are two components of the project

#### **Himalayan rivers-**

- Under the Himalayan rivers component 14 river links have been identified which includes connecting Ganga and Brahmaputra to Mahanadi basin connecting eastern tributaries of Ganga with Sabarmati and Chambal river systems
- It envisages construction of storage reservoir on Ganga & Brahmaputra rivers and also their tributaries in India and Nepal
- This would help in controlling floods, water availability for irrigation and hydel power generation
- The rivers in the West will receive water from surplus floors of Kosi, Gandak and Ghagra through the linkage
- To provide water to drought-prone areas of Haryana Rajasthan and Gujarat a link between Ganga and Yamuna has also been proposed

#### **Peninsular rivers**

- It contains the proposal of 16 links to connect the rivers of Southern India there are four subcomponents-
- Mahanadi and Godavari basins to Krishna Kaveri and vaigai river systems
- Interlinking West flowing rivers that are south of Tapi to North of Mumbai
- Interlinking some west-flowing rivers with east-flowing
- Other linkages like Ken Betwa link, Parvati Kali Sindh rivers to Chambal

#### **BENEFITS**

- The solution to droughts and floods- with an effective rainfall period of about 28 days India has a large scale hydrological imbalance. There are regions that receive heavy rainfall which causes floods and at the same time there are places where there are issues of water scarcity and droughts
- Navigation channels- the project will enhance inland navigation. India is still much dependent on road transport for the transfer of goods to the water channels which is cost-effective and at the same time beneficial for the environment. It will also help in reducing the pressure on railways and roads
- Better irrigation facilities-There is a potential for irrigation of about 35 million hectares of land in the western Peninsula due to the interlinking of rivers. Around 50% of the agricultural land is rainfed the dependence on rainfall make the farmers extremely vulnerable and at the same time also hampers the food security of the country. Adequate irrigation facilities would help in increasing crop output and also make agricultural income more remunerative
- Power generation- the projects have the potential to generate around 34 GW of total power. Since India is majorly dependent on coal-based thermal power plants the enhancement of hydel energy can

prove to be an effective step for energy security as well as in achieving various climate goals of the country

- Clean drinking water- about 90 billion cubic metres of clean drinking water supply can be provided with the implementation of the project. It will help to resolve the issue of water scarcity even in the various metropolitan cities of India
- Environmental benefits-The addition of surplus water to the deficit areas would be equivalent to giving new life to the dried up forests and land in the area

### CHALLENGES

- Ecological challenges-It would lead to large scale submergence of land because of the construction of dams. Acquiring large areas of land would be required for implementation but there are various issues involved in acquiring land
- Damage to biodiversity-The the area under the project may fall within the protected areas like Ken Betwa link project about two-third of the land falls within Panna tiger reserve. In such cases, it is very difficult to get the environmental clearances as well as it poses the threat to the flora and fauna of the region
- Rehabilitation of people-Due to submergence and acquiring of land there would be a large-scale displacement of people. It would also result in loss of livelihood opportunities. Adequate compensation and rehabilitation especially for the poor and tribals is also a major challenge in the implementation of the project
- Impact on other countries-Water flow in neighbouring countries like Bhutan Nepal and Bangladesh would also be affected that is why Bangladesh is in opposition to transferring of water from the Brahmaputra to the Ganga
- Water state subject-Water is a state subject under schedule VII of the Indian constitution, so the success of the project depends upon the interstate cooperation
- Funding -The estimated cost of the project is about rupees 5.6 lakh crores making it a highly capital intensive venture. Also report on climate change has predicted the melting of about one third of Hindu Kush glaciers by 2100, if this becomes true when investing a huge amount of money in interlinking of the projects can result in huge losses since Himalayan rivers then would not have any surplus water to transfer
- Canal irrigation-The proposal of the method of canal irrigation to transmit water from one place to another can also lead to various problems because the maintenance of canals is also a challenge since it involves prevention of sedimentation, clearance due to water logging etc

### WAY FORWARD

- Water Conservation- there is a need to focus on better water conservation techniques- sharing of local practices among state watershed management plans etc so that not even a drop of water is wasted
- Best practice- a country like Israel despite being water-scarce country has achieved water security and has one of the best irrigation systems because of the efficient use of technology and well-developed infrastructure

**The Indian Express Link:**

<https://indianexpress.com/article/india/centre-river-linking-india-nira-nwda-gajendra-shekhawat-7622936/>

**Question:** Interlinking of rivers may address the issue of paucity of water but poses a serious threat to the indigenous ecological diversity of the said rivers. Comment.

## In perspective, farm distress and the demand for guaranteed MSP

### Context:

- Despite the announcement by the Prime Minister to repeal the three farm laws, farmers have said their protest will continue — and have written to the PM with their six remaining demands, including, most importantly, a legal mandate for minimum support prices (MSP).

### Core demands of farm unions

- Minimum Support Price based on the comprehensive cost of production should be made a legal entitlement of all farmers for all agricultural produce so that every farmer of the country can be guaranteed at least the MSP announced by the government for their entire crop.
- Guaranteed MSPs
- As the name suggests, MSPs are the prices at which, on paper, the government promises to procure agricultural produce from farmers.
- At present, the government announces MSPs for 23 crops, but procurement happens only for a few among them. Also, procurement varies quite a lot across states.
- While the government does announce MSPs every year, it is not required to do so by law. The compulsion to procure on MSP is political, not legal.
- But if there were to be a law backing the MSP regime, the government would lose its existing discretion in choosing not to procure.
- A legal mandate for MSP would force the government to purchase all the produce that any farmer wants to sell at the declared MSP. It would also have to procure from all states and all crops for which MSPs are announced.

### Problem with this

- India has had MSPs for several crops for several decades now, but that has not resolved the problem of agrarian distress.
- On the other hand, a guaranteed MSP can have quite a few unintended consequences that might make the attempted cure worse than the disease.

- A good example is from the United States, during the presidency of Jimmy Carter between 1977 and 1981.
- To alleviate the economic condition of dairy farmers, Carter announced that the price of milk would go up by 6 cents per gallon every 6 months.
- But to maintain these prices, the Carter administration had to increase the demand for milk.
- It chose to do so by offering to buy as much cheese as anyone would sell to the government at a predesignated price. This was, in essence, a 'guaranteed MSP'.
- As the months and years rolled by, more and more cheese was produced and sold to the government.
- But the government did not know what to do with it. It ran out of space and had to rent several caves to store the cheese.
- By 1981, Carter's dairy support programme was costing American taxpayers \$2 billion every year, while the government was stuck with mountains of unutilised cheese.
- The administration of President Ronald Reagan who succeeded Carter stopped the automatic increases in prices, gave the cheese away for free, and paid dairy farmers to cut down on the production of milk.
- In India, the percentage of people involved in agriculture is far higher, and they are far more economically distressed than any Western country.
- A legally mandated MSP regime is likely to be neither feasible nor sustainable in the long run.
- Already grain stocks lying with the government are more than twice its buffer requirement, and sometimes end up rotting.

#### **Possible way forward**

- It seems logical that instead of bypassing the market by using MSPs, the government should make efforts to enable farmers to participate in the market.
- However, most Indian farmers have small and marginal landholdings, making them uneconomic.
- They are poor and indebted, and large sections among those who work in the fields are landless labourers.
- The way forward is to ramp up investment in the agriculture sector.
- This means better irrigation facilities, easier access to credit, timely access to power, and ramping up warehouse capacity and extension services, including post-harvest marketing.
- The approach has to be to raise the farmers' bargaining ability and choices before them.
- At a fundamental level, the problem is there are just too many people involved in Indian agriculture for it to be truly remunerative.
- Agriculture accounts for just 17% of India's GDP while employing 55% of its population.
- To a great extent, the solution to the economic distress of Indian farmers lies outside agriculture — in boosting India's industrial and services sectors.



- These two sectors can potentially soak up the excess labour that is at present engaged in unremunerative farm activities.
- The rapid growth of industries and services for the next couple of decades could alleviate India's farm distress. This, however, is not happening. Data show that manufacturing lost half its jobs between 2016 and 2019, even before the Covid-19 pandemic hit.
- Post pandemic, there is a trend of more and more people re-joining agriculture.
- In the short term, many economists argue that the best way to alleviate distress would be to provide direct cash transfers to the rural poor.

**The Indian Express Link:**

<https://indianexpress.com/article/explained/farm-distress-demand-guaranteed-msp-7636428/>

**Question:** What do you mean by the Minimum Support Price (MSP)? How will MSP rescue the farmers from the low-income trap?

## MSP legislation and its cost

**Context:**

- Now that the three laws are set to be withdrawn, pressure is mounting on the government to implement the other, no less vociferous, demand by the farm unions: Providing legal guarantee for the minimum support prices (MSP) of crops.

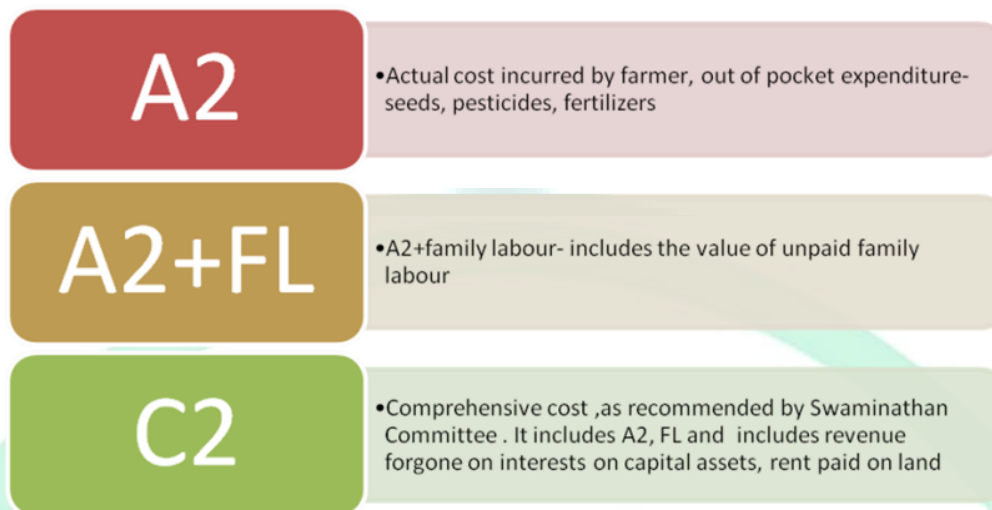
### MINIMUM SUPPORT PRICE

- The MSP is a guarantee that acts as a safety net for farmers while selling their crop, the minimum price for any crop that government considers remunerative for farmers.
- The Centre presently announces the MSPs of 23 crops-
- 7 cereals - paddy, wheat, maize, bajra, jowar, ragi and barley)
- 5 pulses- chana, tur/arhar, moong, urad and masur)
- 7 oilseeds- rapeseed-mustard, groundnut, soyabean, sunflower, sesamum, safflower and nigerseed)
- 4 commercial crops- sugarcane, cotton, copra and raw jute

### Calculation of MSP

- The price policy reports every year are submitted as a parts of its recommendations by CACP .
- The state wise, crop specific production cost estimates provided by Directorate of Economics & Statistics in the Agriculture Ministry are used by CACP to make its projections





### Farmers' Demand Of Legalizing MSP

- **Right to demand MSP**- Since MSPs lack statutory backing, farmers cannot demand them as a matter of right. The farmers cannot be left at the mercy of market forces.
- **Ground realities**-The prices received by farmers, especially during harvest time, are well below the officially-declared MSPs in most crops grown across much of India. The MSPs technically ensure a minimum 50% return on all cultivation costs, but the benefits are largely on paper.
- According farm unions, C2+50% formula should be made a legal entitlement for all agricultural produce, so that every farmer of the country can be guaranteed at least the MSP announced by the government for their entire crop.
- The farm union has suggested a law which simply stipulates that no one neither the Government nor private players would be allowed to buy produce from the farmer at a rate lower than MSP.
- **Effective implementation**-MSP implementation has been effective only in four crops (sugarcane, paddy, wheat and cotton); partly so in five (chana, mustard, groundnut, tur and moong) and weak/non-existent in the remaining 14 notified crops.
- **Livestock and horticultural produce** –there is no MSP even on paper, be it - be it milk, eggs, onions, potatoes or apples.
- The 23 MSP crops together, in turn, account for hardly a third of the total value of India's agricultural output, excluding forestry and fishing.
- All farmers groups seeking a legal backing for MSP also want it extended to fruit and vegetable farmers who have been excluded from benefits so far.
- **Private traders should bear the cost**- One of the farm unions, has suggested that the most of the cost should be borne by private traders. According to them, both middlemen and corporate giants are buying commodities at low rates from farmers and earning huge margins before selling to end consumers.
- **Agro-climatic zones**- Some farm unions have demanded a law to guarantee remunerative prices for all farmers to be calculated according to the varied input rates in 15 different agro-climatic zones.

## Ways For Implementation of the Entitlement

- There are basically three ways-

### Forcing private traders or processors to pay MSP

- This is already applicable in sugarcane. Sugar mills are required, by law, to pay farmers the Centre's "fair and remunerative price" for cane, that is even fixed higher than advised prices by some state governments.
- The Sugarcane (Control) Order, 1966 issued under the Essential Commodities Act, moreover, obliges payment of legally-guaranteed price within 14 days of cane purchase.

### Procurement at MSP through government agencies

- Government through its agencies such as the Food Corporation of India (FCI), National Agricultural Cooperative Marketing Federation of India (Nafed) and Cotton Corporation of India (CCI) can procure crops at MSO
- According to data, such purchases accounted for nearly 50% of India's rice/paddy production last year, while amounting to 40% for wheat and over 25% in cotton.

### Price deficiency payments

- Under it, the government neither directly purchases nor forces the private industry to pay MSP. Instead, it allows all sales by farmers to take place at the prevailing market prices. Farmers are paid the difference between the government's MSP and the average market price for the particular crop during the harvesting season.

### Government's Stand

- **Committee for MSP-** The Prime Minister announced the formation of a committee to make MSP more transparent, as well as to change crop patterns and to promote zero budget agriculture which would reduce the cost of production.
- The panel will have representatives from farm groups as well as from the State and Central Governments, along with agricultural scientists and economists.
- **According to a policy paper by NITI Aayog-** Economic theory as well as experience indicates that the price level that is not supported by demand and supply cannot be sustained through legal means. It also offers two failed examples of such a policy-

### The sugar sector

- The private mills are mandated to buy cane from farmers at prices set by the Government.
- Faced with low sugar prices, high surplus stock and low liquidity, mills failed to make full payments to farmers, resulting in an accumulation of thousands of crores worth of dues pending for years.

### Maharashtra Law

- The amendment to the Maharashtra law in 2018 penalised traders with hefty fines and jail terms if they bought crops at rates lower than MSP.

- As open market prices were lower than the (legalised) MSP levels declared by the State, the buyers withdrew from the market and farmers had to suffer and the move was soon abandoned.

#### Increased Fiscal Burden

- Legalising MSP would put the government under a legal obligation to buy every grain of the crops for which MSPs are announced.
- According to rough estimates, the Union government will have to spend Rs 17 lakh crore. Also, the government will have to spend a huge amount of money to create the facilities required to store the procured grain.

#### Fear of price rise & inflation

- There will be a price rise and increased inflation in general if centre makes MSP a legal mandate to ensure that private players or government agencies buy the crops at least at the fixed price anywhere in the country

#### Case Study Of The United States

- The United States, during the presidency of Jimmy Carter between 1977 and 1981- To alleviate the economic condition of dairy farmers, Carter announced that the price of milk would go up by 6 cents per gallon every 6 months. But to maintain these prices, the Carter administration had to increase the demand for milk.
- It chose to do so by offering to buy as much cheese as anyone would sell to the government at a predesignated price. This was, in essence, a 'guaranteed MSP'.
- As the months and years rolled by, more and more cheese was produced and sold to the government.
- Dairy farmers were happy with higher milk prices, and kept increasing production far in excess of the real demand. Most of the milk went into making cheese, which was then sold to the government.
- Gradually, the government ran out of space, and had to rent several caves to store the cheese. By 1981, Carter's dairy support programme was costing American taxpayers \$2 billion every year, while the government was stuck with mountains of unutilised cheese.
- The successor administration stopped the automatic increases in prices, gave the cheese away for free, and paid dairy farmers to cut down on the production of milk.

#### Lessons India can learn

- **MSP since decades**- India has had MSPs for several crops for several decades now, but that has not resolved the problem of agrarian distress.
- **Unintended consequences**-A guaranteed MSP can have quite a few unintended consequences that might make the attempted cure worse than the disease.
- **People dependent on agriculture**-In India, the percentage of people involved in agriculture is far higher, and they are far more economically distressed than any Western country.

- **Lack of feasibility & sustainability**-A legally mandated MSP regime is likely to be neither feasible nor sustainable in the long run. The grain stocks already lying with the government are more than twice its buffer requirement, and sometimes end up rotting

### Way Forward

- Ramp up investment in the agriculture sector-
- better irrigation facilities
- easier access to credit
- timely access to power
- ramping up warehouse capacity and extension services, including post-harvest marketing.
- **Increasing participation of farmers in market**
- The government should make efforts to enable farmers to participate in the market instead of bypassing the market by using MSPs
- Raising the farmers' bargaining ability and choices before them
- **Solution outside the Agricultural sector**
- **Non remunerative agriculture**- Agricultural sector employs 55% of Indian population but accounts for just 17% of country's GDP
- **Boosting India's industrial & services sectors**-The excess labour, presently engaged in unremunerative farm activities can be soaked up by these two sectors.
- However, the data show that manufacturing lost half its jobs between 2016 and 2019, even before the COVID pandemic. Post pandemic, there is a trend of more and more people re-joining agriculture.
- Rapid growth of industries and services for the next couple of decades could alleviate India's farm distress

#### The Indian express link

<https://indianexpress.com/article/explained/what-meeting-msp-demand-would-cost-govt-farm-laws-7646398/>

**Question-** Legalising Minimum Support Prices (MSP) can have strong economic repercussions in the future. Suggest measures other than MSP which can help reduce agrarian distress.



## Environment

### PM's climate promises, and how far India is on track to meet them

#### Context:

- At the UN climate conference in Glasgow recently, the Prime Minister raised India's existing climate targets, and also announced a few new targets. Importantly, none of the targets is likely to be too difficult to achieve.

#### Net-zero

- Of the five-point targets announced by the PM, achieving net-zero emission status by 2070 is the one whose roadmap is not available right now.
- This promise seems to have been made primarily to satisfy the international demand.
- At the same time, 2070 is a long way away — and there is plenty of time to plan a roadmap to achieve that target.
- The other four targets have to be achieved in a more immediate time frame, by 2030.

#### Emission intensity, renewables

- Two of the targets — reducing emissions intensity and increasing the renewable mix in installed electricity capacity — are already part of India's official Nationally Determined Contributions or NDCs, submitted in 2015 as part of the requirement under the Paris Agreement.
- In that NDC, India had promised to reduce its 'emissions intensity', or emissions per unit of GDP, by 33-35% from 2005 levels by 2030, and to ensure that at least 40% of its installed electrical capacity in 2030 would come through non fossil-fuel-based energy sources.
- India has now enhanced both these targets: emissions intensity reduction to 45%, and the share of renewables in installed electricity capacity to 50%.
- India intended to fulfil 50% of its energy requirement through renewable energy by 2030. But all previous commitments were formulated for electrical capacity, which is only one part of the larger energy basket.
- The enhanced target related to installed electricity capacity, not energy requirement. This will be reflected in the revised NDC India submits to the UN Climate secretariat incorporating the new targets.
- India was already on course to achieve both these existing targets well before the 2030 deadline.
- India's emissions intensity was 24% below 2005 levels in 2016 itself, the latest year for which data are available.
- A 33-35% reduction is expected to be achieved within the next two years. Although initial reductions are easier to achieve than later ones, a 45% reduction is not expected to pose too much of a challenge.
- The case of renewable installed capacity is not very different.

- By November 2020, the share of renewables, including large hydropower, in total installed electrical capacity had already crossed 36%.
- The share of non-fossil fuel energy sources was over 38%. Most of the new capacity additions are happening in the renewable space, and therefore taking this share to 50% will likely not be too difficult.

#### **Forest cover: Not addressed**

- The third promise made in India's NDC, about increase in forest cover, did not find a mention in PM's speech. And that is the only target India is struggling to achieve.
- In the NDC, India has promised to create an additional carbon sink of 2.5-3 billion tonnes of carbon dioxide equivalent through forest and tree cover by 2030.
- Although forest cover has been growing, according to official data, the pace of growth so far has been far from commensurate with what is required to meet the target.

#### **Non-fossil fuel**

- PM's other two announcements, about raising installed capacity of renewable energy, and an absolute reduction of 1 billion tonnes of carbon dioxide by 2030, are not part of India's existing commitments, but are nonetheless linked.
- India had initially set out to install 20 GW of solar power capacity by 2020. That was later raised to 100 GW by 2022.
- Targets for wind and biogas were later added, making it a renewable energy power capacity target of 175 GW for 2022.
- Two years ago, the PM enhanced this to 450 GW for 2030. None of this was ever part of the NDC, but publicly announced targets India had set for itself.
- In Glasgow, PM cited that India would have 500 GW of non-fossil fuel-based energy capacity by 2030.
- Non-fossil fuels include not just renewables like solar or wind, but also nuclear and hydro, which together make up over 50 GW right now.
- Achieving the 450 GW target for renewable energy, therefore, would automatically achieve the target of 500 GW for non-fossil fuel energy sources.
- Also, installed nuclear energy is in the process of a significant ramping-up. Installed nuclear power capacity is set to increase to 22 GW by 2031 from the current 7 GW.

#### **Absolute emissions**

- The fifth target PM announced was new and unexpected.
- The PM said India would ensure it reduces 1 billion tonnes from its projected emissions between now and 2030.
- Put another way, India would bend its business-as-usual emissions trajectory to ensure at least 1 billion tonnes of emissions are saved.
- This is the first time India has talked about making a reduction in its absolute emissions. All previous formulations used to be in terms of emission intensity, which is emissions per unit of GDP.

- The 1-billion-tonne reduction promise and the emissions intensity target, however, seem to be inextricably linked.
- The latter target too is about bending the emissions trajectory. It seeks to ensure that while India's GDP as well as emissions would continue to grow, the rate of growth of emissions would be slower than that of GDP, so that more GDP is created for the same amount of emissions.
- Achieving the emission intensity targets would mean that India would be emitting far less than in the business-as-usual scenario. The numbers are not immediately evident, but this saving in emissions could form a substantial chunk of the 1-billion-tonne reduction now promised. It is possible it may even exceed 1 billion tonnes.
- The promise to reduce 1 billion tonnes of emissions could, therefore, be another way of reiterating the emission intensity target.

**The Indian Express Link:**

<https://indianexpress.com/article/explained/explained-pms-climate-promises-and-how-far-india-is-on-track-to-meet-them-7611943/>

**Question-** Achieving net zero emissions by 2070 will need a amalgamation of reducing emissions, increasing energy efficiency and forest conservation efforts. Elucidate.

## India's Glasgow announcement

**Context:**

- India will achieve net-zero emissions by 2070, Prime Minister said in CoP Glasgow. He was speaking at the 'High Level Segment for Heads of State and Government' during the UNFCCC's 26th Conference of Parties (COP).
- India also raised the Nationally Determined Contribution (NDC) of achieving 450 gigawatt non-fossil energy capacity to 500 gigawatt, among other commitments including reducing carbon emissions.
- International commentators expressed disappointment that India was promising net zero emissions only by 2070 instead of 2050.

**Key takeaways from COP26**

- PM announced India's four other commitments — all by 2030. He called them the "gift of five elixirs" (panchamrit).
- These are:
- reducing Emissions Intensity (EI), or emissions per unit of GDP, by 45% in 2030 relative to 2005 levels;
- cutting absolute emissions by one billion tonnes, presumably from projected business-as-usual (BAU) 2030 levels;

- 500 GW (1 Gigawatt = 1,000 Megawatts) of non-fossil fuel installed power generation capacity by 2030;
- 50% electricity generation from renewable sources by 2030; and
- net-zero emissions by 2070.
- The PM also outlined the Indian Railways' commitment of net-zero by 2030, and its ambition of installing 450 GW of renewable energy capacity.
- Climate finance: To achieve its climate goals, PM said India expected developed countries "to make \$1 trillion available as climate finance as soon as possible".
- Today, as we track the progress on climate mitigation, the same way we must track climate finance.
- Significance: The commitment is significant since India is the third-largest emitter of carbon dioxide in the world, after China and the US.
- The most substantive new commitment relates to the 1-billion-tonne reduction in its total projected emissions from now until 2030. This is the first time that India has taken any climate target in terms of its absolute emissions.
- Now India demands US \$1 trillion in climate finance as soon as possible and will monitor not just climate action but also climate finance.
- One Sun One World One Grid group.
- India and the United Kingdom announced an initiative to tap solar energy and have it travel seamlessly across borders.
- India launched another international climate initiative called Infrastructure for Resilient Island States (IRIS), aimed at providing technical, knowledge and financial assistance to small island nations with the help of developed countries.
- Such an initiative should be undertaken in India too, where coastal erosion, sea-level rise, and urban flooding due to extreme rainfall exacerbated by haphazard urbanisation are acquiring threatening dimensions.
- Forest Declaration: It is an ambitious declaration initiated by the United Kingdom to "halt deforestation" and land degradation by 2030.
- India did not sign the Glasgow Leaders' Declaration on Forests and Land Use.
- It objected to "trade" being interlinked to climate change and forest issues in the agreement.
- The declaration has over 105 signatories including the UK, US, Russia and China.
- India, Argentina, Mexico, Saudi Arabia and South Africa are the only G20 countries that did not sign the declaration.
- Twenty eight governments have also committed to remove deforestation from the global trade of food and other agricultural products such as palm oil, soya and cocoa.
- Global Methane Pledge: The United States and the European Union have jointly pledged to cut emissions of the greenhouse gas methane by 2030.



- They plan to cut down emissions by 30% compared with the 2020 levels.
- At least 90 countries have signed the Global Methane Pledge, with India and China abstaining so far.
- Methane accounts for about a fifth of global greenhouse gas (GHG) emissions and is about 25 times as potent as carbon dioxide in trapping heat in the atmosphere.
- India is the third largest emitter of methane, primarily because of the size of its rural economy and by virtue of having the largest cattle population.
- India has stated earlier that it plans to deploy technology and capture methane that can be used as a source of energy.

#### **Reviewing India's goals:**

- The new policy paradigm asserted that although India was not a part of the problem, it was now willing and able to contribute to reduction efforts in global emissions. India's pledge at Glasgow adheres to the Paris Agreement decision to increase emission cuts to tackle the rapidly escalating climate crisis.
- Emissions reduction by one billion tonnes by 2030: India's current annual emissions are around 2.8 billion tonnes and projected to reach about 4.5 billion tonnes in 2030 on a BAU basis.
- The pledged reduction would be a substantial 20%, comparing favourably with several developed country targets.
- Emission intensity: Both the 33%-35% decline promised at Paris, and the updated 45% reduction by 2030, are quite achievable and par for an emerging economy.
- On installed power generation capacity, India's extant NDC had incorporated the Government's declared goal of 175 GW from renewable energy (RE) sources by 2022.
- India has reached only around 101 GW of solar and wind due to numerous constraints.
- If one adds large hydro and nuclear, both now considered renewable, current RE installed capacity is about 150 GW or just under 40% of total. It almost achieves the NDC target for 2030 showing under-projection.
- The Central Electricity Authority (CEA) in its 2020 Report on Energy Mix for 2029-30 has projected around 525 GW or 64.3% non-fossil fuel installed capacity including 280 GW Solar and 140 GW wind.
- Only 267 GW is projected to come from coal and lignite, compared to 203 GW in 2019, so almost all of India's future growth of capacity is to come from RE.
- India's Glasgow pledge of 50% electricity from RE by 2030 is just a tad more than the CEA projection of 44.7%.
- These commitments may prove difficult as currently witnessed in the coal shortage crisis, combined with the need for storage and grid stability.

#### **Concerns:**

- India insufficiently communicated the significance of its enhanced commitments and little effort was made to leverage India's updated pledge to extract deeper emission cuts from developed nations.

- India refused to join over 110 countries in a declaration to end deforestation by 2030. India's pledges also do not mention the NDC target for forests and tree cover. It will impact on both the environment and livelihoods of tribals and other forest dwellers.
- India also did not join the Global Methane Pledge by over 100 nations to reduce emissions of the short-lived but potent greenhouse gas by 30% by 2030 from 2020 levels, when methane is among the fastest growing emissions in India.

#### Way forward:

- India must address the deep inequity in access to energy and other essentials within India. Climate change is multi-dimensional, not confined to mitigation alone and, as all studies tell us, should be tackled cross-sectorally.
- Lifestyle changes: The Glasgow pledges come from a few sectors mostly related to electricity generation.
- However, a truly transformational low-carbon future must embrace many more aspects, as indeed emphasised at Glasgow by the Prime Minister as "Lifestyle for Environment (LIFE)".
- Accelerated deployment of electric or fuel-cell vehicles must go alongside a rapid reduction in personal vehicle use and a major push for mass transportation.
- Increasing employment-intensive recycling of waste goods and materials, including in solid and liquid waste management linked to methane recovery, would deliver substantial co-benefits across sectors.
- Carbon lock-ins and energy use need to be minimised through mandatory "green" construction codes for the huge housing and other buildings stock, highways and infrastructure yet to be built.
- Carbon lock-in occurs when fossil fuel-intensive systems perpetuate, delay or prevent the transition to low-carbon alternatives.
- Consensus making: The on-going updating of the NDC should be done through a cross-partisan multi-stakeholder consultative process that would make it truly "nationally determined" and implemented.

#### The Hindu Link:

<https://www.thehindu.com/opinion/lead/the-lowdown-on-indias-glasgow-announcement/article37445971.ece>

**Question-** Describe the climate commitments made by India at COP26 in Glasgow and challenges associated with achieving them.

### The heavy lifting on climate action must begin

Context:

- The annual climate change summit came to an end with the adoption of a weaker-than-expected agreement called the Glasgow Climate Pact.

### Background

- The Glasgow meeting was the 26th session of the Conference of Parties to the UN Framework Convention on Climate Change or COP26.
- Earlier, these meetings have also delivered two treaty-like international agreements, the Kyoto Protocol in 1997 and the Paris Agreement in 2015.
- While the Kyoto Protocol expired last year, the Paris Agreement is now the active instrument to fight climate change.
- It requested countries to update and strengthen 2030 emission targets in their NDCs by the end of 2022.
- It created a benchmark of five-yearly cycles for updates, urged countries to prepare long-term emissions strategies, and strengthened mechanisms to scrutinise both.
- Success at Glasgow was explicitly defined around 'keeping 1.5 degrees alive' through such pledges. The 2015 Paris agreement aims to keep global warming to below 2C Celsius and endeavour to reach 1.5C.
- It showed that limiting warming to 1.5° is still technically feasible, but only just.
- In the jargon of climate negotiations, Glasgow clarified the 'ambition cycle', and this appears to have had results in the form of enhanced pledges.

### Review of Glasgow pact:

- There were two important 'nuts and bolts elements of the 'Paris Rulebook' that were fixed in Glasgow. "Paris Rulebook" provides detailed guidance on how countries must carry out the vision for a zero-carbon future set out in the Paris Agreement.
- First, the transparency framework was completed. It includes reporting rules and formats for emissions, progress on pledges and financial contributions. While India and some other countries pushed for separate rules for developed and developing countries, the Glasgow outcomes narrowed this gap.
- The second key was the completion of agreed rules for carbon markets. Credits generated from earlier periods, including through the Clean Development Mechanism were permitted, but only from 2013 onwards. Rules were put in place to limit the scope for 'double-counting of credits by more than one country.
- The Paris, and Glasgow, approach focusing on target-setting gives insufficient importance to the challenge of implementing those targets.
- Long-term aspirational targets to 'keep 1.5 alive' got the focus, but detailed shorter-term 2030 targets have received less attention.
- A focus on shorter-term targets and their implementation, which India has been highlighting, is needed.
- Finance, the central issue: Climate finance promised to be the central issue of COP26.

- The developing countries have been complaining that the decade-long commitment of \$100 billion had not been met.
- Glasgow only established a work programme on post-2025 financing and continued tracking progress on the \$100 billion. It called for double adaptation finance by 2025.
- Since current levels of finance are already low, this implies mobilising about \$40 billion, which is well short of estimated needs; the United Nations finds current needs are \$70 billion.
- Focus on private financing: South Africa announced it had received multi-donor support of \$8.5 billion to support a 'just transition' out of coal, and India is reportedly negotiating support from the World Bank to address coal mine closures.
- Companies committed to net zero initiatives could get \$130 trillion. It suggests a growing effort to mobilise private finance.
- Developing countries have long insisted that publicly funded climate finance is a right devolving from the 'polluter pays' principle rather than aid.
- Now access to substantial funds may require embracing a more multi-stranded approach.
- On coal use: There is a clause calling for the 'phase-down of unabated coal power and phase-out of inefficient fossil fuel subsidies.
- India read out an amendment modifying 'phase-out' to 'phase-down for coal, among other changes.
- India's real concerns included not precluding subsidies for social purposes, such as for cooking gas; all countries should be asked to limit coal use at the same time and noting the lack of mention of oil and gas.
- The term 'phase-out' is of considerable importance to vulnerable countries, and that India introduced the amendment, has given us a bad diplomatic reputation.
- From an environmental point of view, a more explicit discussion of coal, but ideally all fossil fuels, is positive, including for India.
- From a developmental view, however, India is concerned that explicit mention of coal constrains us in our choice of fuel.
- A possible way out is for India to explicitly seek global support for an accelerated transition away from coal.
- Ignoring CBDR: By calling on countries to strengthen targets to align with the Paris Agreement objectives without explicitly considering CBDM, ignores the long-standing issue of climate equity.
- Common But Differentiated Responsibilities (CBDR) is a principle that acknowledges different capabilities and differing responsibilities of individual countries in addressing climate change.
- Adaptation is preparing for the reality that some climate impacts are unavoidable. It has long been neglected in global negotiations. It reflects a global power imbalance that places less weight on the concerns of vulnerable nations.
- Glasgow set up an explicit two-year work programme for a 'global goal' on adaptation.
- But, the important complementary agenda of 'loss and damage' – was not agreed upon.



- The mechanism was set up at the 2013 Warsaw CoP under pressure from developing countries to address the climate liability of developed countries in addressing the damages already incurred by developing and vulnerable countries.
- At the core is the fear among some developed countries that taking forward the loss and damage agenda will open the door to a call for reparations.
- What Glasgow accomplished was necessary, if not sufficient, for accelerated climate action.. But the real determinant of success or failure rests on national politics and popular support for climate change within countries. For India, these politics are complex because they revolve around simultaneously balancing concerns over whether our policy space will be limited by inequities embedded in the global mitigation efforts, and our own interests as a vulnerable country in enhancing and accelerating climate action. A balanced view requires consideration of both objectives.

**The Hindu Link:**

<https://www.thehindu.com/opinion/lead/the-heavy-lifting-on-climate-action-must-begin/article37569132.ece>

**Question:** What are the key points of the Glasgow Climate Pact? What are the significance and the issues/concerns with the climate pact?

## Electric Vehicles

**Context:**

- In 2016, BigBasket became one of the first companies in India to introduce electric vehicles (EVs) for last-mile deliveries. By going electric, the online supermarket successfully saved costs while being kind to the environment, and three years later, it added 1,000 more e-vans and 2,000 e-bikes to its fleet.

### ELECTRIC VEHICLES

- Electric vehicles are automobiles that are prepared by one or more electric motors using energy stored in rechargeable batteries

### DATA/ REPORTS

- NITI Aayog submitted report to move out three wheelers running on internal combustion engines
- According to WHO's global air pollution database ,India has 14 out of 15 most polluted cities in the world in terms of particulate matter concentrations (PM 2.5)
- According to the Ministry of petroleum and oil, India's oil import dependence is around 83%. It is a concern for current account deficit as well as energy security
- It affects overall economic growth as well as has spill over effects on other factors as well
- In the Indian transport sector, mobility market is driven by two wheelers. Policy making should focus on this aspect and also on public transport. India has merely 1.2 buses for 1000 people

## **BENEFITS OF ELECTRIC VEHICLES**

- Sunrise industry- this is a new industry and hence has a huge potential to grow with high investment as well as employment opportunities
- To become world leader- if India does not move to clean energy then there will be huge differences between developed and developing countries.
- It would help in sustainable growth and development

## **CHALLENGES**

### **Import dependence**

- For oil imports India is majorly dependent on OPEC countries, electrical vehicles will diversify the import of energy
- However, China controls lithium-ion battery markets directly or indirectly making it a dominant player in the battery of electric vehicles
- The move towards more electric vehicles would mean a dependence upon China which could pose a strategic challenge for the country

### **Shifting with respect to emissions**

- Since India gets the majority of electricity from coal power thermal plants some major part of electricity for electric vehicles would come from coal
- Emissions from automobiles will be shifted to emissions from thermal power plants

### **Technology and funding**

- To reduce our dependence on coal India needs to have better renewable energy technology and funding
- The recent Glasgow summit and India's commitments are vital steps in this direction

### **Lithium and Cobalt reserves**

- We do not have large reserves of lithium or Cobalt. Countries like China, Congo, Bolivia and Australia have high reserves

### **Pricing**

- Since it is yet a new technology price cannot be reduced beyond a certain limit since then it would become economically unviable, government has to balance this factor with incentivizing people to buy electric vehicles

### **New technology**

- As it is said when a new technology comes out it will lead to the death of many all technologies
- When the technology of fracking came up, the US started the exploration of shale gas. This causes the issue of creative destruction which may lead to loss of jobs and other repercussions.

### **Lack of energy security**

- India has yet not achieved 100% electrification in a real sense, it is only according to the definition that mandates only 10% electrification of households in a village

#### **Lack of charging facilities**

- India has around 150 charging stations with a target of about 5000. China has lakhs of charging facilities

#### **PROBLEMS IN THE AUTOMOBILE SECTOR**

- At present automobile sector is experiencing a decline and it is a lead indicator of economic growth

#### **Reasons for slow down**

- Some exports of called to be a cyclic slowdown of the automobile sector
- Policy induced- high GST and adoption of Bharat stage VI norms
- Because of uncertainty in the policies that previous models will be banned and government steps of increasing re-registration charges, people are looking for a scrap value
- The gig economy- even the millennials are using ola and uber, consumption patterns of the population have shown a change
- Model fatigue theory- the new models launched by major manufacturers are not that attractive

#### **ENVIRONMENTAL KUZNETS CURVE HYPOTHESIS**

- According to the curve when the country e moves from a pre-industrial economy to an industrial economy there is an increase in pollution and hence level of degradation of the environment increases.
- When it enters the stage of the industrial economy there is a shift to service-based economy and becomes less polluting, after reaching a turning point with growth in the country it adopts mitigation and adaptation measures and becomes less polluting
- Thus, more the economic growth that is more capability and money for the protection of the environment

#### **GOVERNMENT INITIATIVES**

- FAME- faster adoption and manufacturing of hybrid and electric vehicles
- It is a part of the national electric mobility mission plan. It focuses on 4 areas
- Technology development demand creation pilot projects charging infrastructure
- Now phase 2 of the FAME India scheme has been extended till 2024 with the announcement of a 50% increase in incentives for electric two-wheelers
- Minister of heavy industries has also mandated energy efficiency services limited to procure your 3 lakh electric three-wheelers for use by different authorities

#### **WAY FORWARD**

- A study titled ' India's electric vehicles story : emerging opportunities' observed that incentivising electric vehicle production could help to cut carbon emissions as much as 37 %

- India's future mission- 7 c's of future mobility
- Common- public transport
- Connected- geo connectivity and internet-enabled
- Convenient- safe, affordable and accessible for all sections
- Congestion free- fewer traffic jams and increased efficiency in logistic movements
- Charged mobility- electric vehicles
- Clean mobility- pollution-free
- Cutting edge- new technology and innovation

**The Live Mint Link:**

<https://www.livemint.com/opinion/online-views/evs-for-last-mile-delivery-could-boost-india-s-e-commerce-sector-11637686236178.html>

**Question:** What are the salient features of the FAME 2 scheme? How will the FAME 2 scheme help improve charging infrastructure?

CivilsTap Hlmachal



## Science and Technology

### ANTI SATELLITE TESTS

#### Context:

- On 16 November, Russia destroyed one of its old satellites by causing a tail-on collision with an ASAT rocket it had fired, at an altitude slightly higher than that of the International and Chinese space stations. The thousands of pieces of debris that resulted now pose a risk to space-station astronauts, other spacecraft that occupy low-earth orbits and launch vehicles destined for higher orbits.
- Junk from the Russian test is expected to intersect with the International Space Station's (ISS) orbit 31 times a day, before spreading out further.
- Space debris moves faster than bullets and even tiny bits have enough kinetic energy to severely damage spacecraft.
- The lower the elevation of the fragments from earth, the sooner the junk will fall back upon the planet and burn up in the atmosphere.
- Debris at higher altitudes can remain in space for years and decades before falling down.
- Space is vast, but the probability of collision increases with the number of objects in orbit.

#### INDIA'S ANTI SATELLITE TEST: MISSION SHAKTI

- India in 2019 became the fourth country after US, Russia and China to acquire the capability of space warfare after completing its first successful attempt at shooting a satellite in Low Earth orbit
- Mission Shakti is a joint indigenous program of Defence Research and Development Organisation (DRDO) and Indian Space Research Organisation (ISRO) to develop high potent anti-satellite weapons (ASAT)
- It has propelled India to the coveted space super bar league and now India will have the capability to decimate satellites for military and strategic purposes.
- The ASAT missiles can be sea, air or land-based

#### SIGNIFICANCE FOR INDIA

##### Strategic dimension of the exercise

- Earlier outer space was the preserve of great powers reflecting the bipolar dynamics of the cold war.
- However, in 21st century space activities reflect the ongoing global power transitions particularly with rise of China and India
- Satellites in outer space in a below range of functions influencing strategic decisions like surveillance, reconnaissance, communication, navigation, targeting etc. Thus, use of weapons in space marks a distinct transformation

#### Security concerns

- China joined the ASAT club in 2007, this also prompted the United States to conduct a reciprocal test in 2008. Hence, India was catalysed for establishment of integrated space cell for space security in India
- China and India are perennial adversaries and political, territorial and strategic animosities continue to endure
- The use of nuclear arsenal comes under heavy cost in case of Pakistan since it is a terrestrial power
- Pakistan presumes that no first use policy of India's nuclear regime gives it an advantage but with the development of anti-satellite capabilities India would be in position to destroy any incoming Pakistani Nuclear missile

### **Network centric warfare**

- Outer space is integral to contemporary military operations in irreversible and multiple ways.
- Network centric warfare implies Synergy among soldiers ,weapons ,commanders and support systems at all levels which is primarily achieved through satellite communication and satellite navigation

### **CONCERNS ASSOCIATED WITH ANTI SATELLITE TESTS**

#### **The concerns are twofold-**

- Such tests are detrimental to space security
- A state demonstrating its capabilities can spur reactionary tests from other nations
- The geopolitical aspect of destructive ASAT testing, thus, encourages further displays and development of offensive technology
- The physical aspect of destructive ASAT testing also amplifies the critical issue that space debris constitutes a threat to states' space systems.
- They can produce adverse changes in the space environment.
- Kessler Syndrome- due to the potential cascading effect of each of these individual pieces of debris to create further debris by colliding with each other
- While the debris from some tests may have deorbited, numerous pieces continue to pose a threat

#### **Data**

- In February 2020, the European Space Agency (ESA) estimated there are approximately 34 000 pieces of space debris larger than 10 centimetres, 900 000 objects between 1 cm and 10 cm and 128 million objects between 1 millimetre and 1 cm.
- 42 Collisions have been recorded between space debris and both active and defunct space objects.

### **INTERNATIONAL INSTRUMENTS**

#### **The UN Outer Space Treaty of 1967**

- The 1967 Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies was the first binding multilateral space treaty and has the objective of ensuring the peaceful use and shared benefits of outer space amongst all nations

### **Liability Convention**

- Convention on International Liability for Damage Caused by Space Objects (1972). There are two proposed liability schemes under the convention.
- The first scheme would apply in a situation in which the debris from an ASAT test damages a passing flight.
- The second envisaged situation is one wherein the debris damages another state's space object.

### **International instruments: Non-binding and voluntary**

- Political dynamics in the space arena have evolved since the space treaties were enacted. At the time, the Soviet Union and the USA were the dominant space powers, and they pursued negotiations of the treaties
- To ensure shared and peaceful use of the space domain. Other states have, however, also developed significant spacefaring capabilities since the 1960s. These include China, France, India and the United Kingdom.

### **Failure of UN Regulations**

- The UN has made several attempts to introduce new international regulations.
- In 1981 the UN General Assembly adopted a resolution on the 'prevention of an arms race in outer space' (PAROS)
- This resolution continues to be adopted annually, but there is little substantive progress on concrete measures.
- The UN also constituted Groups of Governmental Experts (GGEs) in 1993 and 2013 to study transparency and confidence-building measures in outer space.
- However the UN Conference on Disarmament has since struggled to develop further measures under PAROS. Progress is impeded by two opposing views.
- Some states, notably China and Russia, insist on a commitment in the form of a binding treaty (first proposed in 2008), while the USA has firmly advocated for a non-binding instrument

### **WAY FORWARD**

#### **Adopt an inclusive approach**

- Space security is a highly sensitive issue given the dual use nature of space, rising competition for commercial activity and geopolitical tensions.
- States can respond negatively to one-sided framing of a new measure like developing countries which are just starting their space programmes
- By adopting an inclusive approach, the new measure can go a long way in assuring non-Western states that dialogue for space security can be conducted on equal footing, rather than focus exclusively on the inputs of traditional space powers

#### **Clarify enforceability**

- A new policy should be clear on the enforceability of the instrument (i.e. binding or non-binding).

- A new binding multilateral space law instrument appears unlikely despite being desirable. Thus, the new measure would have to be a 'soft' law, one that is voluntary for states.
- If the instrument is voluntary, it will nonetheless have the ability to eventually crystallize into a binding source of customary law if it is complied with by enough countries.

#### **Emphasis on collective benefits**

- Every piece of debris generated from an ASAT test poses a threat to other users' space objects in orbit.
- The rise of megaconstellations of satellites from companies such as SpaceX, OneWeb and Amazon means a higher use of LEO. There must be more focus on this aspect of anti-satellite tests

#### **Enabling transparency and building trust**

- There is a great deal of mistrust in relations between states with space capabilities; states that believe an adversarial state is buttressing its own capabilities are likely to prioritize developing their own offensive capabilities

#### **The Live mint Link:**

<https://www.livemint.com/opinion/columns/we-should-support-a-global-ban-on-destructive-anti-satellite-tests-11637512047924.html>

**Question:** Will the Mission Shakti test spur space weaponization? Is India entering into an arms race in outer space? What is the international law on weapons in outer space?

CivilsTap Hlmachal



## Security

### India's submarine strength

#### Context:

- Recently, the CBI filed two chargesheets against serving and retired naval officers, and some others, for allegedly sharing details of the ongoing modernisation project of India's **Kilo Class submarines**.
- The Kilo Class comprises imported submarines that are being retrofitted.
- Experts say India has lost a decade in modernising its submarine fleet, while China has marched ahead in its larger naval and more specific submarine capabilities.

#### Indian Submarine Squad

- Currently, India has 15 conventional diesel-electric submarines, classified as SSKs, and one nuclear ballistic submarine, classified as SSBN.
- Of the SSKs,
- four are Shishumar Class, which were bought and then built in India in collaboration with the Germans starting 1980s;
- eight are Kilo Class or Sindhughosh Class bought from Russia (including erstwhile USSR) between 1984 and 2000; and
- three are Kalvari Class Scorpene submarines built at India's Mazagon Dock in partnership with France's Naval Group, earlier called DCNS.
- The SSBN, INS Arihant, is a nuclear-powered ballistic missile submarine, built indigenously.
- A second SSBN, INS Arighat, an upgraded version of Arihant, is likely to be commissioned within the next few months.
- Most of India's submarines are over 25 years old, and many are getting refitted.

#### The history of India's submarine acquisition

- India got its first submarine, INS Kalvari of the Foxtrot Class, from the USSR in December 1967. By 1969, it had four of those.
- During the 1971 war with Pakistan, the submarines were baptised into war.
- Between 1971-74, India bought four more Foxtrot Class submarines.
- The eight Foxtrot submarines were a "good number at that point of time" and were doing a great job, as contemporary as we could operate at that time.
- After 1974, India did not get new submarines for a decade.

- In 1981, it signed a contract to buy two Type 209 submarines from West Germany, while two others were to be assembled at Mazgaon Dock.
- These formed the Shishumar Class, the first of which was commissioned in 1986.
- Parallely, Russia offered India its Kilo Class submarines.
- Between 1986 and 1992, India got eight submarines from the USSR and the two from Germany.
- In 1992 and 1994, two German submarines built in India were also commissioned, adding up to 12 new submarines in eight years from 1986.
- By 1995, we probably had amongst the most modern submarine arms in the world.
- India bought two more Kilo Class submarines from Russia in 1999 and 2000, taking the total submarine fleet to around 20.
- Soon after, the older Foxtrots started getting decommissioned. Of the ten Kilo Class submarines, INS Sindhurakshak sank off Mumbai after explosions caused by fire.
- Last year India gifted INS Sindhuvir to Myanmar.

#### **Delays in modernisation**

- The 30-year plan (2000-30) for indigenous submarine construction, approved by the Cabinet Committee on Security in 1999, envisaged two production lines of six submarines each, built in India in partnership with a foreign Original Equipment Manufacturer (OEM).
- The projects were called P-75 and P-75I.
- The 30-year plan anticipated that India would get the 12 new submarines by 2012-15.
- Subsequently, India would make 12 of its own by 2030, taking the fleet size to 24, with the older submarines getting decommissioned.
- The intention was that India would maintain a force level of 18 to 20 submarines at any given time.
- But the contract for P-75 was signed only by 2005, with France's DCNS, now the Naval Group. Ideally the contract for P75I should have also happened then.

#### **The current projects**

- Of the six being built, P-75 has delivered three Kalvari Class Scorpene submarines so far.
- P-75I is yet to take off; the first Request for Information was issued in 2008, then again in 2010, and the Request for Proposal was finally issued in July this year.
- The project will be India's first under the Strategic Partnership Model, which came up in 2015.
- The government will give the contract to an Indian Strategic Partner, which will then partner with a foreign OEM.
- The two selected SPs are MDL and Larsen and Toubro; the five selected OEMs are France's Naval Group, Germany's ThyssenKrupp Marine Systems, Russia's ROE, South Korea's Daewoo Shipbuilding and Marine Engineering, and Spain's Navantia.

- However, bids are yet to be finalised. The earliest that the first submarine under the project can be commissioned will be around 2032, according to experts.
- P-75, too, has been delayed. While the first boat should have been commissioned in 2012, it was commissioned in December 2017.

### **China's capability, and worry for India**

- India needs more submarines for two reasons.
- First, we need it for our own maritime security.
- Second, the Chinese are going to be positioning a lot more ships and submarines in the Indian Ocean in the coming years.
- China is giving Pakistan eight submarines and four destroyers, which can be used as proxy by China.
- India need to handle that very soon, and move on to the P75I as fast as we can.
- According to a 2020 report by the Pentagon, China currently operates four SSBNs and is fitting two additional hulls.
- It has six SSNs and, and 50 diesel-powered attack submarines (SSs).
- According to the report, the Chinese Navy will likely maintain between 65 and 70 submarines through the 2020s, replacing older units with more capable units on a near one-to-one basis.
- China has constructed 12 nuclear submarines in the last 15 years. It is expected to have up to eight SSBNs by 2030, the report said.

### **Nuclear Submarine coveted nature**

- SSNs have infinite capacity to stay dived.
- As they are not propelled by batteries, they need not emerge for charging by a diesel engine.
- Propelled by a nuclear-powered engine, these submarines only need to come to the surface for replenishing supplies for the crew.
- SSNs are also able to move faster underwater than conventional submarines.
- All this allows a navy to deploy them at farther distances, and quicker.
- They are like the fighter jets of the underwater world.
- India is among six nations that have SSNs, alongside the US, the UK, Russia, France and China.
- India got its first SSN in 1987 from the Soviet Navy, which it rechristened INS Chakra, which was decommissioned in 1991.
- In 2012, India got another Russian SSN on a ten-year lease, called INS Chakra 2, which has since been returned to Russia.
- The government has also decided that of the 12 submarines to be built indigenously after the P75 and P75i projects, six would be SSNs instead of SSK.

- India is taking two SSNs on lease from Russia, but the first of them is expected to be delivered only by 2025.
- But, during this time India has developed its own SSBNs, INS Arihant and INS Arighat.
- Unlike the other submarines, the SSBNs are strategic programmes and fall under the Strategic Forces Command, the tri-services command responsible for India's nuclear weapons.
- That's not a war fighting machine. It should not be counted as a submarine war fighting capability, because it is a deterrent.
- India is building at least two larger SSBNs that will have bigger missiles, called S4 and S4\* projects. The four SSBNs are expected to be commissioned before 2030.

### Significance of Project 75

- **One of the Largest 'Make in India' Projects:**
- It will serve to facilitate faster and more significant absorption of technology and create a tiered industrial ecosystem for submarine construction in India.
- **To Ensure Self-Reliance:**
- From a strategic perspective, this will help reduce current dependence on imports and gradually ensure greater self-reliance and dependability of supplies from indigenous sources.
- **To Protect Indo-Pacific:**
- This is keeping in mind the rapid increase of nuclear submarine arsenal by People's Liberation Army Navy (PLAN) (CHINA) and to protect the Indo-Pacific from future domination by the adversary.

**Question-** Acquiring new submarines and modernising the existing ones are necessary to ensure naval security and economic safety. Comment.

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