



Monthly Editorial Consolidation



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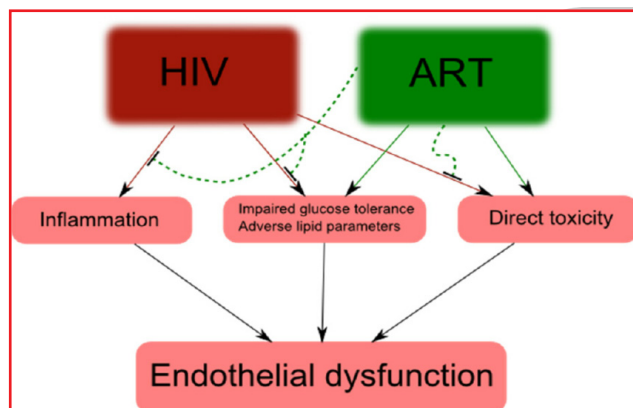
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ART's Intervention in HIV/AIDS Treatment

This editorial is based on "[The ART of India's HIV/AIDS response](#)" which was published in *The Hindu* on 01/04/2024. The article explores the role of Antiretroviral Therapy (ART) in managing HIV/AIDS and the insights it offers for other public health initiatives.

Tag: GS Paper - 2, Health, GS Paper - 3, Indigenisation of Technology.

April 1, marks a very important day in the history of response to the HIV/AIDS epidemic in India. Twenty years ago, on April 1, 2004, the Indian government had launched **Antiretroviral Therapy (ART)**, for Persons living with HIV (PLHIV), a decision which has proven one of the successful and a key intervention in the fight against **HIV/AIDS**.



What is HIV/AIDS?

➤ About:

- HIV/AIDS is a viral infection that attacks the immune system, specifically the CD4 cells (T cells), which help the immune system fight off infections.
- Left untreated, HIV reduces the number of CD4 cells (T cells) in the body, making the person more likely to get infections or infection-related cancers.
- AIDS is the final stage of HIV infection, when the immune system is severely damaged and can no longer fight off infections.

➤ Causes of HIV/AIDS:

- HIV infection is caused by the human immunodeficiency virus (HIV). The virus is transmitted through contact with infected bodily fluids, such as blood, semen, vaginal fluids, rectal fluids, and breast milk.
- It can be spread through sexual contact, sharing needles or syringes, from mother to child during childbirth or breastfeeding, and rarely, through blood transfusions or organ transplants.

➤ Symptoms of HIV/AIDS:

○ Acute HIV Infection:

- Symptoms can resemble those of the flu, including fever, swollen lymph nodes, sore throat, rash, muscle and joint aches, and headache.

○ Clinical Latent Infection:

- HIV is still active but reproduces at very low levels. People may not have any symptoms or only mild ones.

○ AIDS:

- The symptoms of AIDS are severe and include rapid weight loss, recurring fever or profuse night sweats, extreme and unexplained tiredness, prolonged swelling of the lymph glands in the armpits, groin, or neck, diarrhoea that lasts for more than a week, sores of the mouth, anus, or genitals, pneumonia, and red, brown, pink, or purplish blotches on or under the skin or inside the mouth, nose, or eyelids.

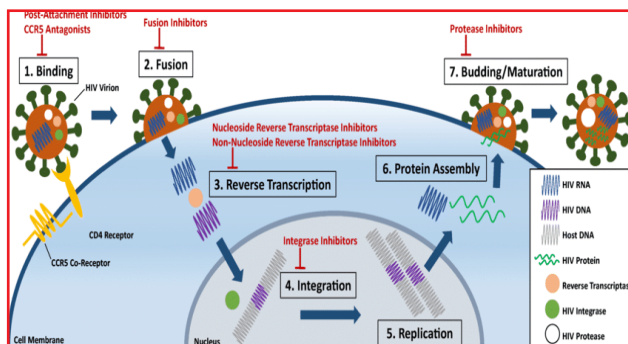
➤ Diagnosis of HIV/AIDS:

- **HIV antibody/antigen tests:** These tests detect antibodies or antigens produced by the virus and are usually done on blood or oral fluid.

- **Nucleic acid tests (NATs):** These tests look for the virus itself and can detect HIV infection earlier than antibody tests.

➤ Treatment and Management:

- **Antiretroviral therapy (ART):** ART involves taking a combination of HIV medicines every day. ART can't cure HIV, but it can control the virus, allowing people with HIV to live longer, healthier lives and reducing the risk of transmitting the virus to others.
- **Pre-exposure prophylaxis (PrEP):** PrEP is a daily pill for people who don't have HIV but are at risk of getting it. When taken consistently, PrEP can reduce the risk of HIV infection.



What is Antiretroviral Therapy (ART)?

➤ About:

- Antiretroviral therapy (ART) is a cornerstone treatment for managing HIV/AIDS, a chronic viral infection caused by the human immunodeficiency virus (HIV).
- This therapy aims to suppress the replication of HIV in the body, thereby reducing viral load, preserving immune function, and improving the quality of life for individuals living with HIV/AIDS.

➤ Mechanism of Action of Antiretroviral Therapy:

- Antiretroviral drugs target various stages of the HIV replication cycle, inhibiting viral entry into cells, reverse transcription of viral RNA into DNA, integration of viral DNA into the host genome, and viral assembly and release.
- By disrupting these processes, ART suppresses viral replication and reduces the viral load in the body.

➤ Components of Antiretroviral Therapy: ART typically consists of a combination of antiretroviral drugs from different classes, including:

- **Nucleoside Reverse Transcriptase Inhibitors (NRTIs):** These drugs interfere with the reverse transcription process, preventing the conversion of viral RNA into DNA. Examples include tenofovir, emtricitabine, and abacavir.
- **Non-Nucleoside Reverse Transcriptase Inhibitors (NNRTIs):** NNRTIs bind to and inhibit the activity of the HIV reverse transcriptase enzyme, blocking viral replication. Examples include efavirenz, nevirapine, and rilpivirine.
- **Protease Inhibitors (PIs):** PIs block the activity of the HIV protease enzyme, preventing the cleavage of viral polyproteins and the maturation of infectious viral particles. Examples include ritonavir, atazanavir, and darunavir.
- **Integrase Strand Transfer Inhibitors (INSTIs):** INSTIs inhibit the integration of viral DNA into the host genome, preventing the establishment of a permanent viral reservoir. Examples include raltegravir, dolutegravir, and bictegravir.
- **Entry Inhibitors:** Entry inhibitors block the interaction between viral proteins and host cell receptors, preventing viral entry into cells. Examples include maraviroc and enfuvirtide.

➤ Benefits of Antiretroviral Therapy:

- **Viral Suppression:** ART reduces the viral load in the body, slowing disease progression and preserving immune function.

- **Prevention of Opportunistic Infections:** By restoring immune function, ART helps prevent opportunistic infections and AIDS-related complications.
- **Improvement in Quality of Life:** Effective ART allows individuals living with HIV/AIDS to lead healthier and more productive lives, reducing morbidity and mortality.
- **Prevention of Transmission:** Viral suppression achieved through ART significantly reduces the risk of HIV transmission to sexual partners and vertical transmission from mother to child during pregnancy and childbirth.

How has the ART Evolved in Ensuring Effective Treatment?

➤ Evolution:

- At the emergence of HIV/AIDS in the early 1980s, the disease was considered a death sentence and was met with a lot of fear, stigma and discrimination.
- While the US FDA approved the first antiretroviral drug, AZT (zidovudine), in March 1987, three additional drugs were approved in 1988. A new class of antiretroviral drugs, protease inhibitors, was introduced in 1995. However, access to these medicines remained limited for most of the world's population, except in some high-income countries.

➤ Global Efforts:

- Recognising this challenge, in 2000, at the UN General Assembly's Millennium Summit, world leaders set a specific goal and issued the declaration to stop and reverse the spread of HIV.
- The **Global Fund to Fight AIDS, Tuberculosis and Malaria** was created in 2002 which advocated universal access to HIV prevention, treatment, care and support services.
 - In 2004, the number of PLHIV in India was estimated to be 5.1 million, with a population prevalence of 0.4%. Very few of them were on antiretroviral therapy. Even by the end of 2004, only 7,000 PLHIV were on ART.

➤ Barriers to ART's Evolution:

- The key barrier to ART was high cost and unaffordability for individuals, and geographical access to treatment.
- In fact, the so-called "cocktail therapy" or HAART (highly active antiretroviral therapy), a combination of three or more anti-retroviral drugs, had become available starting in 1996, but costs were prohibitively high (USD 10,000 a year).

- People infected with HIV were stigmatised and lost their lives while health-care providers felt helpless due to non-availability/non affordability of ARTs.

➤ **Necessity for Free Treatment:**

- The decision to make free ART for any adult living with HIV was a path-breaking one. From November 2006, the free ART was made available for children as well.
- In two decades of free ART initiative, the facilities offering ART have expanded from less than 10 to around 700 ART centres - 1,264 Link ART centres have provided, and are providing, free ART drugs to approximately 1.8 million PLHIV on treatment.

➤ **Effectiveness of ART:**

- ART is not merely about starting a person living with HIV on treatment. It is equally important to keep the viral load down and suppressed to ensure that the transmission of diseases is also halted.
- The impact has been that in 2023, the prevalence of HIV in 15-49 years has come down to 0.20 (confidence interval 0.17%-0.25%) and the burden of disease in terms of estimated PLHIV has been coming down to 2.4 million.

➤ **Usefulness for Indian Population:**

- India's share in PLHIV globally had come down to 6.3% (from around 10% two decades ago). As of the end of 2023, of all PLHIV, an estimated 82% knew their HIV status, 72% were on ART and 68% were virally suppressed.
- The annual new HIV infections in India have declined by 48% against the global average of 31% (the baseline year of 2010). The annual AIDS-related mortalities have declined by 82% against the global average of 47% (the baseline year of 2010).

What were the Factors that Made ART Intervention Successful?

➤ **Patient-Centric Approach to Services:**

- It will be unfair to credit free ART alone for the success. There were many complementary initiatives which have contributed to halting the HIV epidemic.
- These include the provision of free diagnostic facilities; attention on prevention of parent to child transmission of HIV (PPTCT) services; prevention, diagnosis and management of opportunistic infections including management of co-infections such as tuberculosis (TB).

➤ **Incorporating Dynamic Modifications:**

- The programme has shown agility and dynamic modifications. Early initiation of ART and Treat all policy evolved over the years where the ART eligibility criteria were relaxed - from those having a CD4 count less than 200 cells/mm³ (in 2004), to that less than 350 cells/mm³ (in 2011), and then to less than 500 cells/mm³ (in 2016).

➤ **Promoting Universalization:**

- There was the 'Treat All' approach from 2017, which ensures that ART is initiated, irrespective of CD4 count. This has been a true universalisation and has contributed to reduced virus transmission, both at the individual and the community levels.

➤ **Note:**

- The **World Health Organization's (WHO)** "Treat All" guidance of September 2015, recommended that all individuals be treated as soon as possible after HIV infection and diagnosis.
- In addition, because reduction in HIV viral load to undetectable levels eliminates the risk of onward transmission, the Treat All approach has the potential to provide the population health benefit of reducing HIV incidence.

➤ **Affordable and Free ART:**

- The programme also adopted a free of cost viral load testing for all PLHIV on treatment, by providing two to three months of medicines to stable PLHIV which minimises the number of patient visits to the ART centres, reducing travel time and costs for the patients.
- This approach also increases adherence to treatment besides decongesting ART centres by reducing the average daily OPD, giving health-care workers more time to attend to other patients.

➤ **Adding New Medicines:**

- India continued to add newer and more potent drugs to the programme, as and when those became available. For example, Dolutegravir (DTG), a new drug with superior virological efficacy and minimal adverse effects was introduced in 2020.
- In 2021, India adopted a policy of rapid ART initiation in which a person was started on ART within seven days of HIV diagnosis, and in some cases, even the same day.

Concerns in ART Treatment

- First, the delayed enrolment to the ART facilities is the biggest challenge to the national programme. In India, patients presenting with CD4 count <200 to ART centres constitute almost a third of total foot fall.

- Second, after starting on ART and continuing, the patient starts feeling well. But the moment this happens, they start missing doses and miss medicines for months or completely drop out. This results in the development of resistance as well. This 'loss to follow up' needs to be addressed.

What are India's Efforts to Prevent HIV?

- **HIV and AIDS (Prevention and Control) Act, 2017:**
 - According to this act, the central and state governments shall take measures to prevent the spread of HIV or AIDS.
- **Access to ART:**
 - India has made **Antiretroviral Therapy (ART)** affordable and accessible to over 90 per cent of people living with HIV in the world.
- **Memorandum of Understanding (MoU):**
 - The Ministry of Health and Family Welfare signed a MoU with the Ministry of Social Justice and Empowerment in 2019 for enhanced HIV/AIDS outreach and to reduce the incidence of social stigma and discrimination against victims of drug abuse and Children and People Living with HIV/AIDS.
- **Project Sunrise:**
 - Project Sunrise was launched by the Ministry of Health and Family Welfare in 2016, to tackle the rising HIV prevalence in north-eastern states in India, especially among people injecting drugs.

What Steps Need to be Taken to Make ART Treatment More Effective?

- **Ensuring Sustained Supply and Availability:**
 - The sustained supply and availability of ART needs to be ensured by the national programme, in every geography of the country and more so for tough terrain, hilly and remote areas.
 - There is a need to focus on the private sector engagement in care of PLHIV, which can ensure efficient supply by deploying their expertise.
- **Need for Constant Training:**
 - This ongoing evolution requires that staff stay updated with the latest advancements and techniques in their field. Moreover, training should emphasise hands-on learning to ensure that staff can effectively apply theoretical knowledge in practical situations.
 - This approach not only enhances their skills but also improves their problem-solving abilities and adaptability to new challenges.

➤ Strengthening Integration with Other Programmes:

- There is a need to focus on strengthening integration with other programmes such as hepatitis, non-communicable diseases (diabetes and hypertension) and mental health as PLHIV are living normal but have other health conditions that need to be addressed.
- A focused approach needs to be adopted to reduce preventable mortality that includes systematic death reviews and availability of advanced diagnostics.

➤ Adopting a Multi-Sectoral Approach:

- The free ART initiative in India can be made more effective by ensuring the political will and constant support of successive governments; sustained and sufficient funding, regular programme reviews and field-based monitoring, a series of complementary initiatives; community and stakeholder engagements and participation; people-centric modifications in the service delivery; bridging the policy intentions to implementation gaps, and continuous expansion of services to cover more people living with HIV.

➤ Implementing National AIDS Control Programme (NACP):

- The ongoing and fifth phase of India's **National AIDS Control programme (NACP)** aims to (by 2025) reduce the annual new HIV infections by 80%, reduce AIDS-related mortalities by 80% and eliminate vertical transmission of HIV and syphilis.
- To achieve this, NACP phase 5 calls for the attainment of ambitious targets of 95-95-95 by 2025, where 95% of all people living with HIV know their HIV status; 95% of all people diagnosed with HIV infection receive sustained antiretroviral therapy (ART), and 95% of all people receiving antiretroviral therapy achieve viral suppression by 2025. These targets are aligned with global targets agreed by the UNAIDS.

Conclusion

The free ART initiative arguably paved the path for bending the HIV/AIDS epidemic curve in India. It is a testament to the point that if there is a will, the government-run public health programme can deliver quality health services free, and available and accessible to everyone. The 20 years of free ART and subsequent steps under the NACP have the potential to guide other public health programmes in the country. As an example, the learnings can and should be used to launch a nationwide free Hepatitis C treatment initiative in India and accelerate progress towards Hepatitis C elimination.



Introspecting PMLA, 2002

This editorial is based on "[*The PMLA — a law that has lost its way*](#)" which was published in *The Hindu* on 02/04/2024. The article explores various aspects of the *Prevention of Money Laundering Act, 2002 (PMLA)*. It highlights a critical concern that the PMLA includes offences unrelated to its primary objective of combating drug money laundering.

Tag: GS Paper-2, Government Policies & Interventions, Statutory Bodies, GS Paper-3, Capital Market, Money Laundering.

The [*Prevention of Money Laundering Act \(PMLA\), 2002*](#) was enacted with a distinct objective. The humongous volume of black money generated through international drug trafficking posed a grave threat to the economy of many countries. There was widespread realisation that the black money generated through the flourishing drug trade and integrated into the legitimate economy was likely to destabilise the world economy and endanger the integrity and sovereignty of nations. The recent series of arrests of political leaders made under the PMLA, 2002, and the government's reliance on it, highlight the need for a thorough examination of its provisions.

What is Money Laundering?

➤ About:

- Money laundering is a complex process used by individuals and organisations to conceal the origins of illegally obtained money. It involves

making illicit funds appear legitimate through a series of transactions.

➤ Stages of Money Laundering:

- **Placement:** The initial stage where illicit funds are introduced into the financial system. This can involve deposits into bank accounts, currency exchanges, or purchases of valuable assets.
- **Layering:** The process of separating the illicit funds from their source through a series of complex financial transactions. This often involves transferring funds between accounts or across borders to obscure their origin.
- **Integration:** The final stage where the laundered funds are reintroduced into the economy as legitimate funds. This can involve investing in businesses, purchasing real estate, or other means of legitimising the funds.

➤ Methods of Money Laundering:

- **Structuring (Smurfing):** Breaking up large amounts of cash into smaller, less conspicuous amounts that are then deposited into bank accounts.
- **Trade-Based Laundering:** Using trade transactions to move value across borders and disguise the origins of illicit funds.
- **Shell Companies:** Creating companies with no legitimate business activity to funnel illicit funds through legitimate-looking transactions.
- **Real Estate:** Purchasing real estate with illicit funds and then selling it to convert the value into legitimate assets.



What is PMLA, 2002?

➤ About:

- The Prevention of Money Laundering Act, 2002 (PMLA) is an Act of the Parliament of India enacted to prevent money laundering and provide for the confiscation of property derived from money laundering.

- It aims to combat money laundering related to illegal activities such as drug trafficking, smuggling, and terrorism financing.

➤ **Key Provisions of PMLA:**

- **Offences and Penalties:** PMLA defines money laundering offences and imposes penalties for such activities. It includes rigorous imprisonment and fines for offenders.

- **Attachment and Confiscation of Property:** The Act allows for the attachment and confiscation of property involved in money laundering. It provides for the establishment of an Adjudicating Authority to oversee these proceedings.

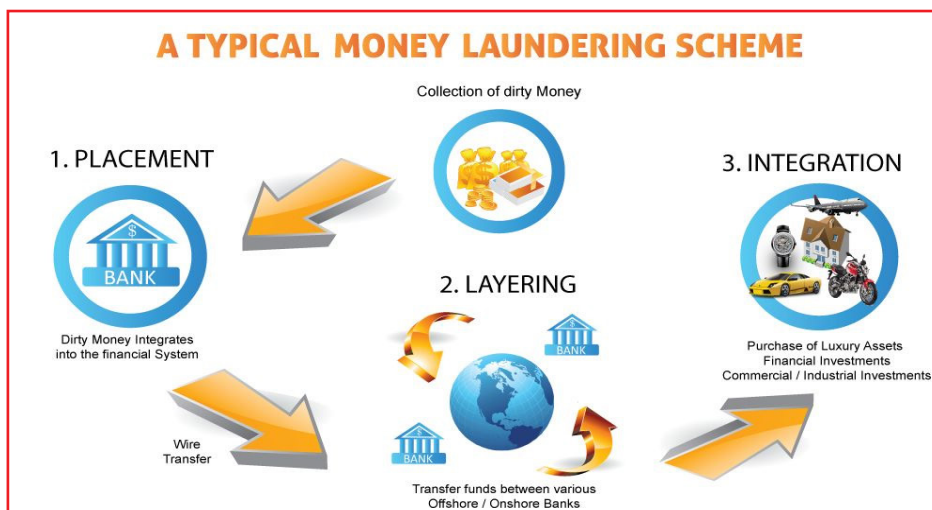
- **Reporting Requirements:** PMLA mandates certain entities, such as banks and financial institutions, to maintain records of transactions and report suspicious transactions to the Financial Intelligence Unit (FIU).

- **Designated Authority and Appellate Tribunal:** The Act establishes a Designated Authority to assist in the investigation and prosecution of money laundering offences. It also provides for the establishment of an Appellate Tribunal to hear appeals against orders of the Adjudicating Authority.

➤ **Objectives of PMLA:**

- **Prevention:** To prevent money laundering by implementing stringent measures and monitoring financial transactions.

- **Detection:** To detect and investigate instances of money laundering through proper enforcement and regulatory mechanisms.
- **Confiscation:** To confiscate properties derived from money laundering activities to deter offenders and disrupt illicit financial flows.
- **International Cooperation:** To facilitate international cooperation in combating money laundering and terrorist financing activities.
- Amendments to PMLA, 2002 in 2023:
- **Clarification about the Position of Proceeds of Crime:** Proceeds of the Crime not only includes the property derived from scheduled offence but would also include any other property derived or obtained indulging into any criminal activity relate-able or similar to the scheduled offence.
- **Money Laundering Redefined:** Money Laundering was not an independent crime rather depended on another crime, known as the predicate offence or scheduled offence. The amendment seeks to treat money laundering as a stand-alone crime.



What Factors Necessitated the Adoption of PMLA, 2002?

➤ **Flourishing Drug Trade at Global Level:**

- The **United Nations** took serious note of this, and in 1988, held the **United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances**. All countries were urged to take urgent steps to prevent the laundering of the proceeds of drug crimes and other connected activities.

➤ **Formation of Financial Action Task Force:**

- Seven major industrial nations held a summit in Paris in 1989 and established the **Financial Action Task Force (FATF)** to examine the problem of money laundering and recommend measures to tackle this menace.
- Thereafter, in 1990, the **United Nations General Assembly (UNGA)** adopted a resolution, namely, the Political Declaration and Global Programme of Action which called upon all member-countries to enact suitable pieces of legislation to effectively prevent the laundering of drug money.

➤ **Adoption by Indian Parliament:**

- In pursuance of this resolution of the UN General Assembly, the Government of India used the recommendations of the FATF to formulate a legislation to prevent **drug money laundering**.
- As drug trafficking is a trans-border operation, the UN held a special session in 1998 on the theme 'Countering World Drug Problem Together' and made another declaration on the urgent need to combat money laundering.

- Accordingly, the **Indian Parliament** enacted the Prevention of Money Laundering Act in 2002. But it was brought into force in 2005.

➤ **Recommendations of the Narasimham Committee:**

- The Narasimham Committee on Banking Sector Reforms, commissioned by the **Reserve Bank of India (RBI)** in 1998, underscored the importance of addressing money laundering concerns within the Indian financial system. These recommendations spurred legislative action.

➤ **Adhering to Provisions of Erstwhile Legislations:**

- The main focus of the law is on combating the laundering of drug money. Accordingly, the Act of 2002 contained a few offences listed in the **Indian Penal Code (IPC)** and the **Narcotic Drugs and Psychotropic Substances Act, 1985**.
- The UN resolutions, and the FATF recommendations are all focused on the prevention of money from the laundering of drugs. However, the PMLA of India acquired a different character through amendments from time to time.

Note:

- The PMLA was enacted by India's Parliament under **Article 253** which empowers it to make laws for implementing the international conventions.
- This Article indicates that a law Parliament makes to implement any decision of an international body will be confined to the subject matter of that decision.
- Item 13 in the **Union list** of the **Seventh Schedule** of the Constitution is specific on this point.

What are the Different Concerns Regarding PMLA, 2002?

➤ **Proceeds of Crime –Too Broad Definition:**

- Debates have emerged regarding the interpretation of the term “proceeds of crime” in the context of the PMLA. Some argue that the definition is excessively broad and has the potential to encompass lawful financial transactions, possibly leading to misuse.
- The law on money laundering revolves around the “crime proceeds” which are laundered. Not only the persons involved directly in the crime and the generation of the crime proceeds but also persons who have nothing to do with the crime but who have some involvement at a later stage in the laundering process are also guilty under this law.

➤ **Large Number of Offences:**

- The most serious aspect of the PMLA is that it includes a large number of offences in the

schedule which have nothing to do with the original purpose of this law — namely, combating the laundering of drug money.

- The UN resolution on the basis of which the law on laundering was enacted in India spoke only about the offence of the laundering of drug money. This was considered the most serious economic crime which had the potential to destabilise the world economy and endanger the sovereignty of nations.

• **Burden of Proof on Accused:**

- Concerning the burden of proof, critics maintain that it is unreasonably burdensome for the accused under the PMLA. The alteration in the burden of proof may, on occasion, present challenges in ensuring a fair trial.

• **Overreach by Officers**

- It is contended that the legislation might confer excessive powers upon authorities, potentially leading to misuse and overreach. Striking a balance between empowering law enforcement and safeguarding individual rights presents a nuanced challenge.

• **Stringent Bail Conditions:**

- PMLA in India allows for stringent bail conditions to be imposed on individuals accused of money laundering offences.
- A fundamental principle of Anglo-Saxon jurisprudence is that a person is presumed innocent until proven guilty. PMLA turns this principle upside down.
- An accused will be denied bail by the entire hierarchy of courts because the bail provision contained in section 45 of the PMLA says that a judge can give bail only when he is satisfied that the accused is innocent.

➤ **Arrest of Person Without Written Communication of Grounds of Arrest:**

- Violating **Article 22(1) of the Constitution** and Section 19(1) of the 2002 PMLA, relying solely on verbal communication for arrest is considered inadequate. **Enforcement Directorate** officers have consistently acted in contravention of these provisions for a significant period.

What Suggestions Need to be Implemented in Reforming PMLA, 2002?

➤ **Refinement of “Proceeds of Crime” Definition:**

- Propose a more precise definition of “Proceeds of Crime” in the PMLA to mitigate potential ambiguity that could disrupt financial operations.

- Seek input from legal experts, financial institutions, and relevant stakeholders to draft a clear, comprehensive definition aligned with international standards.
- **Reassessment of Burden of Proof:**
 - Evaluate the burden of proof on the accused, especially concerning reliance on statements from other accused or individuals.
 - Explore ensuring a reasonable burden of proof that balances the need for a fair trial while safeguarding fundamental rights guaranteed by the Constitution.
 - Consider amendments for a more equitable distribution of the burden of proof between the prosecution and the accused.
- **Safeguards Against Overreach by Officers:**
 - Introduce additional checks and balances to prevent potential overreach by officers, particularly in cases involving political opponents.
 - Establish clear guidelines and protocols for investigative methods to protect individual rights and privacy, ensuring legally justified asset seizures and adherence to due process.
 - Institute an independent oversight mechanism to review and monitor the actions of law enforcement officers in money laundering cases.
- **Review of Stringent Bail Conditions:**
 - Conduct a comprehensive review of stringent bail conditions, particularly under Section 45 of the PMLA, to assess their necessity and impact on accused individuals.
 - Consider aligning bail procedures for money laundering cases with those applicable to other financial crimes, eliminating perceived bias or undue hardship.
 - Explore alternatives to streamline the bail adjudication process without compromising the integrity of investigations.
- **Periodic Review and Amendment of PMLA:**
 - Establish a periodic review mechanism to assess the effectiveness and relevance of the PMLA, addressing emerging challenges and evolving international standards.
 - Encourage parliamentary discussions and debates on potential amendments to the PMLA, involving legal experts, lawmakers, and representatives from financial institutions.
- **Enhanced Independence and Transparency of ED:**
 - Strengthen the independence of the Enforcement Directorate (ED) by ensuring its actions are free from political influence.

- Introduce measures to enhance transparency in the functioning of the ED, including regular reporting and disclosure of cases handled, convictions secured, and actions taken.
- **Public Awareness and Education:**
 - Conduct public awareness campaigns to educate citizens about the purpose, procedures, and implications of the PMLA.
 - Promote understanding of individual rights and legal safeguards, fostering cooperation between law enforcement agencies and the public.
- **Consultative Approach:**
 - Adopt a consultative and inclusive approach in the policymaking process, seeking input from legal experts, civil society organisations, financial institutions, and the public.
 - Engage in open dialogues and consultations to address concerns and gather diverse perspectives on proposed reforms. Establish mechanisms for continuous monitoring and evaluation of the implementation of reforms.
 - Participate actively in international forums to stay updated on global standards and contribute to shaping international efforts against money laundering.

Conclusion

The current judicial approach to bail in cases under the PMLA seems overly technical. Justice V.R. Krishna Iyer, in 1978, emphasized the importance of personal liberty in the Gudikanti Narasimhulu case, stating that denying bail is a serious judicial responsibility under Article 21, requiring careful consideration of its impact on the individual and society. However, amendments over time expanded the scope of the law to include offences beyond drug money laundering, leading to concerns about its original intent. The PMLA's evolution underscores the complexities and challenges in addressing money laundering while ensuring fairness and justice.



Katchatheevu Island: Strategic Geography

This editorial is based on "[*Katchatheevu and beyond, islands and India's new geopolitics*](#)" which was published in Indian Express on 03/04/2024. The article describes how a review of Indian foreign policy in the past decade reveals that island states and territories, spanning from the South Pacific to the African coast, have emerged as

new focal points in India's evolving strategic landscape, particularly highlighting the significance of Katchatheevu islands in current times. This island is also important for India-Sri Lanka Relations.

Tag: GS Paper - 2, India and its Neighbourhood, Bilateral Groupings & Agreements, Regional Groupings, Effect of Policies & Politics of Countries on India's Interests.

Whether it is the Maldives that now occupies much Indian mind space in the growing maritime joust with China, or India's new engagement with the resource-rich Papua New Guinea in the Pacific Islands, the joint development of infrastructure on the **Agalega island of Mauritius**, the collaboration with Australia in the eastern **Indian Ocean** islands, or the government's focus on developing the Andamans to our east, the Lakshadweep to the west and Katchatheevu adjoining Sri Lanka, islands have emerged as an important part of India's new geopolitics.

The Katchatheevu Islands have re-entered the discourse, driven by the upcoming 2024 **Lok Sabha** elections, presenting an opportune platform to court voters in Tamil Nadu, where the longstanding fisherman issues with Sri Lanka are fiercely discussed.

What is Katchatheevu Island?

➤ **About:**

- The Katchatheevu Islands are a pair of uninhabited islands located in the Palk Strait, between the southeastern coast of India (Tamil Nadu) and the northern coast of Sri Lanka.
- The larger island is known as Katchatheevu, while the smaller one is called Imaravan. These islands have been historically significant due to their strategic location and their importance in the fishing activities of both India and Sri Lanka.

➤ **Fishermen Issue:**

- The ownership of Katchatheevu has been a significant point of contention between India and Sri Lanka, especially concerning fishing rights in the surrounding waters. Fishermen from Tamil Nadu have been particularly affected, as they claim traditional fishing rights in the area.
- The ceding of Katchatheevu to Sri Lanka has resulted in restrictions on Indian fishermen accessing traditional fishing grounds around the island. This has led to numerous conflicts and arrests of Indian fishermen by the Sri Lankan authorities.

➤ **Political and Legal Stand:**

- Politically, the issue of Katchatheevu has been used by various parties in India to criticise the

government's stance on the matter. Legal challenges have also been raised regarding the legality of the agreements ceding the island to Sri Lanka.

➤ **Bilateral Discussions:**

- Despite the contentious nature of the issue, both India and Sri Lanka have engaged in bilateral discussions to address the concerns of fishermen from Tamil Nadu. Various proposals, such as joint patrolling and fishing zones, have been suggested to resolve the issue amicably.



What is the Current Status of India-Sri Lanka Relations?

➤ **Historical Ties:**

- India and Sri Lanka have a long history of cultural, religious, and trade ties dating back to ancient times.
- There are strong cultural ties between the two countries, with many Sri Lankans tracing their heritage to India. **Buddhism**, which originated in India, is also an important religion in Sri Lanka.

➤ **Financial Assistance from India:**

- India provided approximately USD 4 billion worth of aid to Sri Lanka during an unprecedented economic crisis, which was crucial for the country to survive the crisis.
- Sri Lanka was hit by a catastrophic financial crisis in 2022, the worst since its independence from Britain in 1948, due to a severe paucity of **foreign exchange reserves**.

➤ **Role in Debt Restructuring:**

- India has played a role in collaborating with the **International Monetary Fund (IMF)** and creditors to help Sri Lanka in restructuring its debt.

- India was also the first country amongst India, China and Japan to hand over its letter of support for financing and debt restructuring of Sri Lanka.
- Joint Vision for Connectivity:
 - Both countries have agreed on a joint vision that emphasises comprehensive connectivity, including People to People connectivity, renewable energy cooperation, logistics, port connectivity, and grid connectivity for electricity trade.
 - Sri Lanka is also a member of groupings like **BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation)** and **SAARC** in which India plays a leading role.
 - Both countries are exploring the possibility of an **Economic and Technology Cooperation Agreement (ETCA)** to integrate their economies and foster development.
- Agreement on a Multi-Project Petroleum Pipeline:
 - Both India and Sri Lanka have agreed to establish a multi-product petroleum pipeline from the southern part of India to Sri Lanka.
 - This pipeline aims to ensure an affordable and reliable supply of energy resources to Sri Lanka. Recognition of energy's critical role in economic development and progress is driving the focus on establishing the petroleum pipeline.
- Adoption of India's UPI:
 - Sri Lanka has now adopted India's UPI service, which is a significant step towards enhancing fintech connectivity between the two countries.
 - The use of the **rupee for trade settlement** is further helping Sri Lanka's economy. These are concrete steps to help Sri Lanka's economic recovery and growth.
- Economic Ties:
 - India is Sri Lanka's third largest export destination, after the US and UK. More than 60% of Sri Lanka's exports enjoy the benefits of the **India-Sri Lanka Free Trade Agreement**. India is also a major investor in Sri Lanka.
 - India has traditionally been among Sri Lanka's largest trade partners and Sri Lanka remains among the largest trade partners of India in the SAARC. India was Sri Lanka's largest trading partner with an overall bilateral merchandise trade of USD 5.45 billion in 2021.
 - In 2022, India was the largest source of tourists for Sri Lanka with over 100,000 tourists.

How have the India-Sri Lanka Relations Evolved Regarding Katchatheevu Islands?

- **Colonial Times-Till 19th Century:** Sri Lanka asserted its sovereignty over Katchatheevu by citing the Portuguese occupation of the island from 1505 to 1658 CE as evidence of jurisdiction.
 - The small island was administered by the British in the colonial era. Historically, the Raja of Ramnad or present-day Ramanathapuram in Tamil Nadu is said to have owned the island, which later became part of the Madras Presidency.
- **Transformations in 20th Century:** Both Sri Lanka and India sought exclusive fishing rights over Katchatheevu in the 1920s, leading to a longstanding dispute. The issue persisted after both countries gained independence in the 1940s. In 1968, the Sri Lankan Prime Minister officially raised the matter during a visit to India, asserting Sri Lanka's sovereignty over Katchatheevu.
 - Subsequent talks between the Prime Ministers of India and Sri Lanka, Indira Gandhi and Sirimavo Bandaranaike, led to the signing of the 1974 Agreement on the Boundary in Historic Waters between the two countries.
 - This agreement defined a boundary that placed Katchatheevu one mile off Sri Lanka's west coast, based on historical evidence, legal principles, and precedents.
- **Significance for Indian Fishermen:** Article 4 of the Agreement stipulated that **each State shall have sovereignty and exclusive jurisdiction and control** over the waters, the Islands, the Continental Shelf and the subsoil on its side of the Maritime boundary in the Palk Strait and Palk Bay and **Katchatheevu Island was determined as falling within Sri Lankan waters**.
 - The following article added that "Indian fishermen and pilgrims would enjoy access to the island as before and would not be required by Sri Lanka to obtain travel documents or visas for these purposes".

What are Some Other Strategic Geographies for India Across the World?

- **Indo-Pacific:**
 - The idea was first proposed by the late Japanese Premier Shinzo Abe, in a speech to the **Indian Parliament** in 2007. He urged India to reflect on the "confluence of the two oceans" — the Indian and the Pacific.

- It took over a decade after that call for India to formally embrace the **Indo-Pacific** idea - in a speech by the Prime Minister at the annual **Shangri La Dialogue** in Singapore during the summer of 2018.
- India's deteriorating relations with China, marked by a series of military crises in 2013, 2014, and 2017, was an important factor in Delhi's rethink; so was the growing strategic partnership with the US.
- The Indo-Pacific is now well-established in the Indian discourse, and so is its institutional anchor, the **Quad**, which brings together Australia, India, Japan and the US.
- **Eurasia:**
 - If Japan and the US popularised "Indo-Pacific", Russia has driven the "Eurasian" idea. As a great power straddling Europe and Asia, Russia sees the vast Eurasian landmass as its natural sphere of influence.
 - The **Shanghai Cooperation Organisation**, built jointly by Russia and China, was the institutional expression of the Eurasian idea.
 - Given India's stakes in continental Asia, its long-standing ties to Russia, and its quest for a multipolar world, Eurasia offers much significance for India in multiple aspects.
- **Nordic Region:**
 - The Nordic region, the Nordic-Baltic coalition and the Caucasus have emerged as new geographies of consequence for India in Europe and around it. Ukraine recently underlined India's potential role in shaping war and peace in Central Europe, whose turbulent politics have triggered two **world wars** and threatens to unleash a third.
- **India-Middle East Geography:**
 - The proposal for an economic corridor linking India and Europe through the Middle East, the **Abraham Accords**, the conflict in Gaza, the increasing influence of the Arab Gulf, India's strengthening ties with the UAE and Saudi Arabia, the deployment of approximately 20 Indian naval vessels in the **Red Sea** area, and the expanding interaction with Africa are leading to a more interconnected perspective of the Middle East, Africa, the eastern Mediterranean, and the Western Indian Ocean.
 - Previously considered distinct regions, they now highlight their significant relevance for India's developmental path.

➤ **Indo-Pacific:**

- The idea was first proposed by the late Japanese Premier Shinzo Abe, in a speech to the **Indian Parliament** in 2007. He urged India to reflect on the "confluence of the two oceans" — the Indian and the Pacific.

What is the Relevance of Katchatheevu Islands for India?

➤ **Strategic Importance:**

- **Geopolitical Location:** Katchatheevu is strategically located in the Palk Strait, which serves as a crucial maritime route connecting the Bay of Bengal with the Gulf of Mannar and the Indian Ocean.
- **Security Concerns:** Control over Katchatheevu provides India with strategic leverage in monitoring maritime activities in the region, including movements of vessels and potential security threats.

➤ **Economic Significance:**

- **Fishing Resources:** The waters around Katchatheevu are rich in marine resources, including fish and other seafood, which are vital for the livelihoods of fishermen from Tamil Nadu.
- **Commercial Potential:** Control over Katchatheevu could facilitate the development of commercial activities such as fishing, aquaculture, and tourism, thereby boosting economic growth in the region.

➤ **Historical and Cultural Significance:**

- **Historical Claims:** Katchatheevu holds historical significance for India, with claims of traditional fishing rights by fishermen from Tamil Nadu dating back centuries.
- **Cultural Ties:** The island has historical and cultural significance for the Tamil communities in India and Sri Lanka, as it is associated with the legendary Tamil sage **Thiruvalluvar**.

➤ **Legal and Diplomatic Implications:**

- **Diplomatic Relations:** Despite the cession of Katchatheevu to Sri Lanka through agreements in 1974 and 1976, the Katchatheevu issue has implications for **India-Sri Lanka relations**, often influencing bilateral discussions and negotiations on various matters, including fishing rights and maritime cooperation.
- **International Law:** The dispute over Katchatheevu raises broader questions about the application of international law, particularly concerning territorial sovereignty, maritime boundaries, and the rights of coastal states.

- **Territorial Waters:** The island's possession by Sri Lanka has implications for India's territorial waters and **Exclusive Economic Zone (EEZ)** in the region.

➤ **Humanitarian Considerations:**

- **Human Rights Concerns:** Restrictions on fishing activities around Katchatheevu imposed by Sri Lanka have led to humanitarian concerns, including instances of arrests, harassment, and loss of lives among Indian fishermen.
- **Need for Resolution:** Addressing the Katchatheevu issue is essential from a humanitarian perspective to ensure the welfare and safety of fishermen and their families who depend on the waters for their sustenance.

➤ **Security and Anti-Smuggling Operations:**

- **Smuggling Activities:** Katchatheevu's proximity to the Indian coast makes it a potential hub for smuggling activities, including arms, drugs, and contraband.
- **Preventing Smuggling Activities:** The island's possession by Sri Lanka has implications for India's ability to monitor and curb such activities in the region.
 - India has expressed concerns over the use of Katchatheevu for smuggling and other illegal activities that could pose a security threat.

Conclusion

Despite its small size, Katchatheevu Island remains a complex issue between India and Sri Lanka due to its strategic location, impact on fishing rights, and cultural significance. The transfer of the island to Sri Lanka has strained bilateral ties and highlighted the need for a comprehensive resolution addressing maritime security, livelihood concerns of fishermen, and respecting the historical sentiments of both nations. Resolving this long-standing dispute through sustained dialogue, mutual understanding, and innovative resource-sharing mechanisms is crucial for fostering cooperation and stability in the region.



NATO's 75th Anniversary

This editorial is based on "**West Against the Rest**" which was published in *Indian Express* on 04/04/2024. The article examines NATO's 75th anniversary and its role as a tool for maintaining Western hegemony through its military capabilities, along with other significant aspects related to the alliance.

Tag: GS Paper - 2, Bilateral Groupings & Agreements, Important International Institutions.

The **North Atlantic Treaty Organisation (NATO)** pompously celebrated the anniversary of its establishment on April 4, 75 years ago. On this day in 1949, western nations gathered in Washington, DC, to commit their nations to one another's defence. With the scars of the **Second World War** still raw and new threats looming, they pledged to safeguard the freedom of their peoples. Key areas of focus for NATO's 75th anniversary are recommitting to the alliance's core values of **democracy**, freedom and **rule of law**, addressing evolving security challenges like **Russia's invasion of Ukraine**, and charting the course for NATO's future adaptation.

What is NATO?

➤ **About:**

- The North Atlantic Treaty Organization (NATO) is an intergovernmental military alliance formed in 1949. It was established with the primary goal of providing collective defence against potential aggression, particularly from the Soviet Union during the Cold War era. Over the years, NATO has evolved to address a range of security challenges beyond its original mandate.

➤ **History:**

- **Formation:** NATO was established on April 4, 1949, with the signing of the North Atlantic Treaty in Washington, D.C. by 12 founding member countries from **Europe** and North America.
- **Cold War Era:** During the **Cold War**, NATO served as a deterrent against Soviet expansionism, with the US providing significant military support to its European allies.
- **Post-Cold War:** After the collapse of the **Soviet Union**, NATO expanded its focus to include crisis management, conflict prevention, and cooperative security efforts.

➤ **Membership:**

- **Original Members:** The original 12 founding members of NATO were Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom, and the United States.
- **Expansion:** NATO has expanded since its founding, with new member countries joining in multiple rounds. The alliance currently consists of 32 member countries.

➤ **Mission and Objectives:**

- **Collective Defence:** NATO's primary mission is collective defence, as outlined in Article 5 of the North Atlantic Treaty. This article stipulates that

an attack on one member country will be considered an attack on all, and the members will respond collectively.

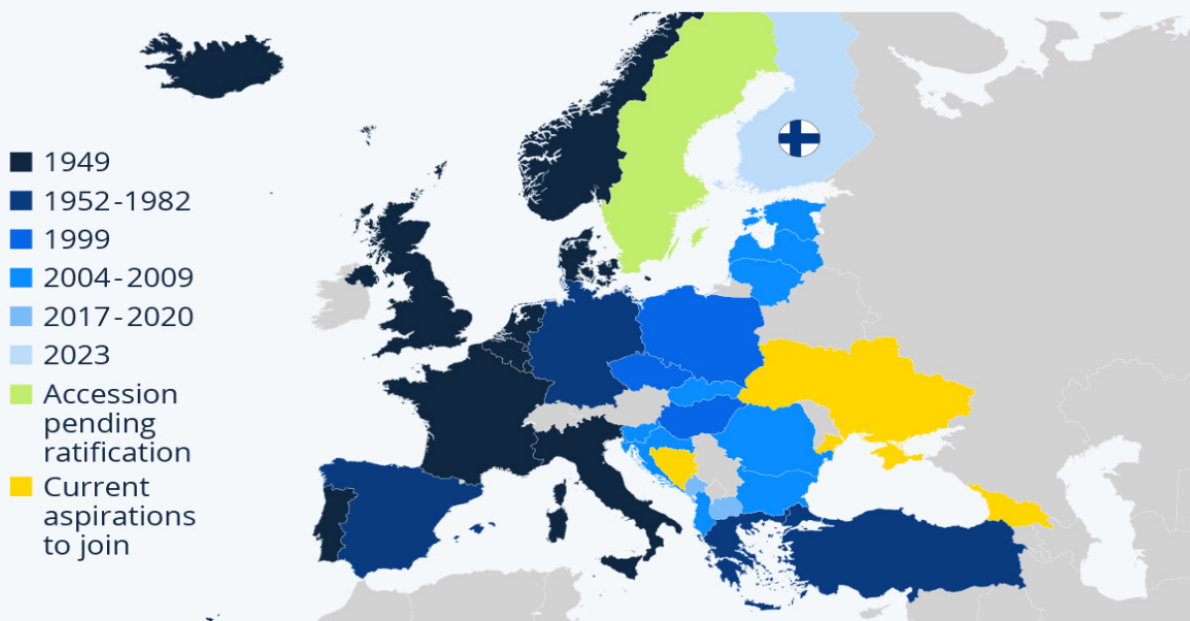
- **Crisis Management:** In addition to collective defence, NATO engages in crisis management activities, including conflict prevention, peacekeeping, and stabilisation efforts in various regions around the world.
- **Structure:**
 - **Political Leadership:** The North Atlantic Council (NAC) serves as NATO's principal political decision-

making body, composed of ambassadors from all member countries.

- **Military Command Structure:** NATO's military command structure includes Strategic Commands (e.g., Allied Command Operations) responsible for operational planning and execution, as well as Regional Commands and Force Headquarters.
- **Integrated Military Forces:** NATO maintains integrated military forces, allowing member countries to contribute personnel and assets to collective defence efforts under NATO command.

Finland Becomes 31st Member of NATO

European countries by year they joined NATO



Map excludes the United States and Canada, both founding members of NATO.

What are the Various Concerns Related to NATO's Functioning?

- **Unrestrained Offensive:**
 - NATO was created to defend its member states from aggression. As the facts go, it never suffered from one or the threat of one. On the contrary, in the name of defending its member states, NATO went on the offensive. Over the last seven decades, it initiated or participated in more than 200 military conflicts worldwide, including 20 major ones.
- **Misadventures in Eastern European, Middle East and Asian Countries:**
 - The bombing of Yugoslavia, the invasion of Iraq,

the ruined statehood of Libya, the unlawful military interference in Syria and the dubious results of combating terrorism in Afghanistan are the most prominent among numerous cases in point.

- **Provoking Russia-Ukraine War:**
 - Five waves of the alliance's expansion since 1991 despite assurances about the contrary and the transformation of Ukraine into the springboard against Russia have become the greatest provocation of all time.
 - The alliance dismantled dialogue mechanisms with Russia and adopted the Strategic Concept at the 2022 NATO summit in Madrid by which

Moscow is proclaimed to be the most significant and direct threat to allied security, peace and stability in the Euro-Atlantic, which Russia has never been.

➤ **Maintaining Western Hegemony:**

- The stark reality is that NATO, while proclaiming its peaceful aspirations, go in for war or threaten to attack any state that refuses to accept the decadent liberal “rules-based order”.
 - In this sense, NATO’s military potential stands as an effective tool for maintaining the West’s **hegemony over the nations that are not viewed as a military menace**.
- This sets a notion of NATO being a continuation of colonial practices in a modern form under the slogans of democracy, human rights and freedom as prescribed by the Euro-Atlantic rulers.

➤ **Unwarranted Expansion:**

- The coalition’s capabilities are being built up in outer- and cyberspace. NATO’s “eastern flank” is pumped with new assets and forces to gear up for the adjusted regional military plans. NATO’s aggressive behaviour expands beyond Russia. The search is on for new partners in Africa, Asia and Latin America.
- NATO’s radar has turned towards the post-Soviet space and Eurasia at large to create more alienation lines and damage the traditionally close ties between countries.

➤ **Capitalising the Threat Posed in The Indo-Pacific:**

- A new manifestation of the block’s expansionism can be seen in NATO’s attempts to extend its responsibility over the entire eastern hemisphere under the slogan of indivisibility of security in the Euro-Atlantic and **Indo-Pacific** regions.
- To this end, the US has been busy creating pocket minilateral formats, such as **AUKUS**, US-Japan-South Korea troika, and the Tokyo-Seoul-Canberra-Wellington quartet to drag them into practical cooperation with NATO.

What were the Successes And Failures of NATO Grouping?

➤ **Successes:**

- **The Cold War:**
 - During the **Cold War**, NATO’s efforts were centred around three goals: controlling the Soviet Union, dissuading militant nationalism and communism across Europe, and establishing greater European political unity.

- The alliance played a major role in maintaining the tense peace of the Cold War and ensuring the war remained ‘cold’. With the end of the war, NATO worked to further maintain peace.
- They established the North Atlantic Cooperation Council and, in 1997, NATO encouraged bilateral discussion between the US and Russia through the Founding Act.

○ **Modern Day Protection:**

- Today, NATO continues to provide a level of protection for its members. Since its founding, a NATO member has only been attacked and evoked Article 5 once (the US after **9/11**).
- Member countries are afforded collective security, just as NATO originally sought to do. Additionally, NATO has created a global network of more than 40 countries and other partners around the globe - ranging from the African Union to the Organization for Security and Cooperation in Europe (OSCE).
- This network provides NATO support in its crisis management operations, ranging from aid operations such as its delivery of relief supplies after the 2005 Kashmir Earthquake to counter-terrorism operations in the **Mediterranean** and the coast of Somalia.

○ **Providing Humanitarian Aid to Ukraine:**

- NATO has publicly denounced the Russian invasion of Ukraine and NATO member countries and allies have provided substantial aid to Ukraine. The US has contributed roughly USD 54 billion to Ukraine.
- Other countries have provided humanitarian aid and support for the more than 5 million refugees of the war. The Ukraine war has reaffirmed the importance of NATO, and even spurred Finland and Sweden to increase their efforts to join the alliance.
- These countries’ membership would strengthen the alliance militarily through increased air and submarine capabilities, allowing for NATO to further dissuade Russian aggression.

➤ **Failures:**

○ **Funding Issues:**

- In 2006, NATO Defense Ministers agreed to a commitment that 2% of their countries’ GDP would be allocated towards defence spending. However, the majority of NATO members do not meet this goal. Currently, the **US accounts for over 2/3rd of the alliance’s defence spending**.

○ Afghanistan:

- After 9/11, NATO was a considerable presence in Afghanistan, and their forces were crucial in their support of the Afghan government. When President Donald Trump signed an agreement with the Taliban in 2020, both NATO and American troops were withdrawn from Afghanistan.
- What followed was an immediate fall in the Afghan government at the hands of the Taliban. **Despite the two decades NATO spent in Afghanistan, no long term solution was reached**, and without their presence, the nation's former government could not survive.

○ Right-Wing Nationalism:

- With the spread of right-wing nationalism across Europe, discontent with international institutions like NATO and the EU grows. If

right-wing nationalist movements continue to increase in popularity across Europe, there could be increased calls for countries to leave institutions like NATO. The **challenge NATO faces now is how to combat and address their criticism**, and how to unify a divided Europe.

○ Russian Aggression:

- Despite supposed verbal promises to Russia that it would not expand to the east, **NATO has admitted several former Warsaw Pact members since the fall of the Soviet Union**.
- Now, with NATO members bordering Russia and the promise of further expansion, Russia feels increasingly threatened. The possibility of Ukraine joining NATO has been cited as a significant reason for Russian actions in the Russia-Ukraine Conflict.



Note: India maintains a nuanced stance between NATO and Russia, balancing strategic interests with both while emphasising non-alignment and bilateral cooperation in defence and economic spheres.

What are the Reforms Required to Make NATO More Effective and Efficient?

- The Quality, Coherence and Timelines of Advice:

- Enhance the importance and functions of the five main policy committees within NATO, including the Military Committee, Political Committee, Policy Coordination Group, Executive Working Group, and Senior Resource Board.
- Improve coordination among these committees, aligning their agendas with the Council's priorities. This will help translate the Council's guidance into effective and timely advice for both military and civilian NATO bodies.
- **NATO's Non-Military Dimension:**
 - Ensure that, when the allies decide to engage the Alliance operationally, it benefits from the civil expertise at the political level and capacity on the ground necessary to complete its mandate successfully, in concert with other international organisations and local actors; this may require the creation of a civil security committee or an analogous structure.
- **Organisational Cohesion and Internal Synergy:**
 - Orient not only NATO headquarters but a streamlined set of NATO bodies in and outside of Brussels, to deliver against a rolling set of strategic-level priorities, to enhance transparency, visibility and commonality of purpose across the Alliance.
- **An Inclusive and United Alliance:**
 - Institutional arrangements should mirror the inseparability of Alliance security, aiming to uphold and reinforce allied unity and cohesion, and foster a shared sense of purpose.
 - Therefore, NATO structures and procedures must primarily unite the interests, concerns, political will, and military capabilities of all allies, enabling the consensus-building and collective actions.
 - Wherever possible, structures and procedures should encourage and facilitate political dialogue, consultation, combined planning, training, exercising and operations between the allies and an increasing number of non-NATO nations.
- **The Alliance Must Remain Distinct:**
 - While NATO should actively integrate with other international organisations to address complex crises through a Comprehensive Approach, this should not diminish its core strength of combining robust military capabilities with nuanced strategies.
- **Focus on Non-Traditional Threats:**
 - While territorial defence remains a core task, many argue NATO must further adapt to address

non-traditional threats like **terrorism**, **cyber attacks**, disinformation campaigns, and threats to **supply chain security**.

Conclusion

As NATO celebrates its 75th anniversary in 2024, the alliance stands at a crucial juncture in its storied history. NATO has successfully upheld its core mission of safeguarding the freedom and security of its members through a rules-based international order. However, the past decades have borne witness to a rapidly evolving global security landscape characterised by the resurgence of great power rivalries, transnational threats, and complex modern challenges.

To remain an effective bulwark of peace and stability, NATO must continue to adapt and reform itself through greater investment in defence capabilities, streamlined decision-making processes, and a broadened focus on emerging arenas like cyber, space, and technological superiority.

■ ■ ■

90 Years of RBI: Towards The Banking Vision of "Viksit Bharat"

This editorial is based on "90 years of RBI: Prepare for upcoming challenges" which was published in The Indian Express on 02/04/2024. The article delves into the achievements and challenges encountered by the Reserve Bank of India as it commemorates 90 years since its establishment.

Tag: GS Paper - 3, Banking Sector & NBFCs, Monetary Policy, Inclusive Growth.

In a recent milestone, the **Reserve Bank of India** has marked its significant 90-year journey. Throughout its history, the central bank has experienced various challenges and successes, showcasing a remarkable trajectory of accomplishments.

Nevertheless, with changes in payment mechanisms, the advent of **central bank digital currency**, and the emergence of new risks, the central bank must remain prepared to ensure effective regulation and supervision.

What is the Reserve Bank of India (RBI)?

➤ About:

- RBI is the central bank of India.
- It was established on April 1, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934.

- It was originally set up as a private entity in 1935, but it was nationalized in 1949.

➤ **Objectives:** The Preamble of the RBI describes the basic functions of the Reserve Bank as:

- To regulate the issue of Bank notes and keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage.
- To have a modern **monetary policy framework** to meet the challenge of an increasingly complex economy,
- To maintain price stability while keeping in mind the objective of growth.

➤ **Structure of RBI:**

- The Reserve Bank's affairs are governed by a central board of directors.
- The board is appointed by the Government of India in keeping with the Reserve Bank of India Act.
- The directors are appointed/nominated for a period of four years.

➤ **Acts Administered by the RBI:**

- Reserve Bank of India Act, 1934
- Public Debt Act, 1944/Government Securities Act, 2006
- Government Securities Regulations, 2007
- Banking Regulation Act, 1949
- Foreign Exchange Management Act, 1999
- Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (Chapter II)
- Credit Information Companies (Regulation) Act, 2005
- Payment and Settlement Systems Act, 2007
 - Payment and Settlement Systems Act, 2007 As Amended up to 2019
 - Payment and Settlement Systems Regulations, 2008 As Amended up to 2022
- Factoring Regulation Act, 2011

What are the Key Accomplishments of the Reserve Bank of India (RBI)?

➤ **Maintaining Monetary Stability:**

- The Reserve Bank of India Act, of 1934, provides the legislative mandate to the RBI to operate a modern monetary policy framework. Therefore, the RBI has adopted **flexible inflation targeting (FIT)** as the framework for monetary policy.

- The Government of India, in consultation with RBI, sets the inflation target in terms of the **Consumer Price Index (CPI)** every five years.

➤ **Financial Sector Regulation:**

- The RBI has implemented various measures to strengthen the banking sector and enhance financial stability.
- It regularly reviews and updates banking regulations to ensure the soundness of financial institutions.
 - For example, the RBI introduced the **Prompt Corrective Action (PCA)** framework to tackle **Non-performing Assets (NPAs)** in banks and maintain their solvency.

➤ **Successful Management of Public Debt:**

- The Reserve Bank has successfully managed the public debt. It has floated loans for the Government at low rates of interest.
- It has helped in raising funds for the expansion of the public sector in the economy. It has also provided short-term advances to the Government.

➤ **Financial Inclusion:**

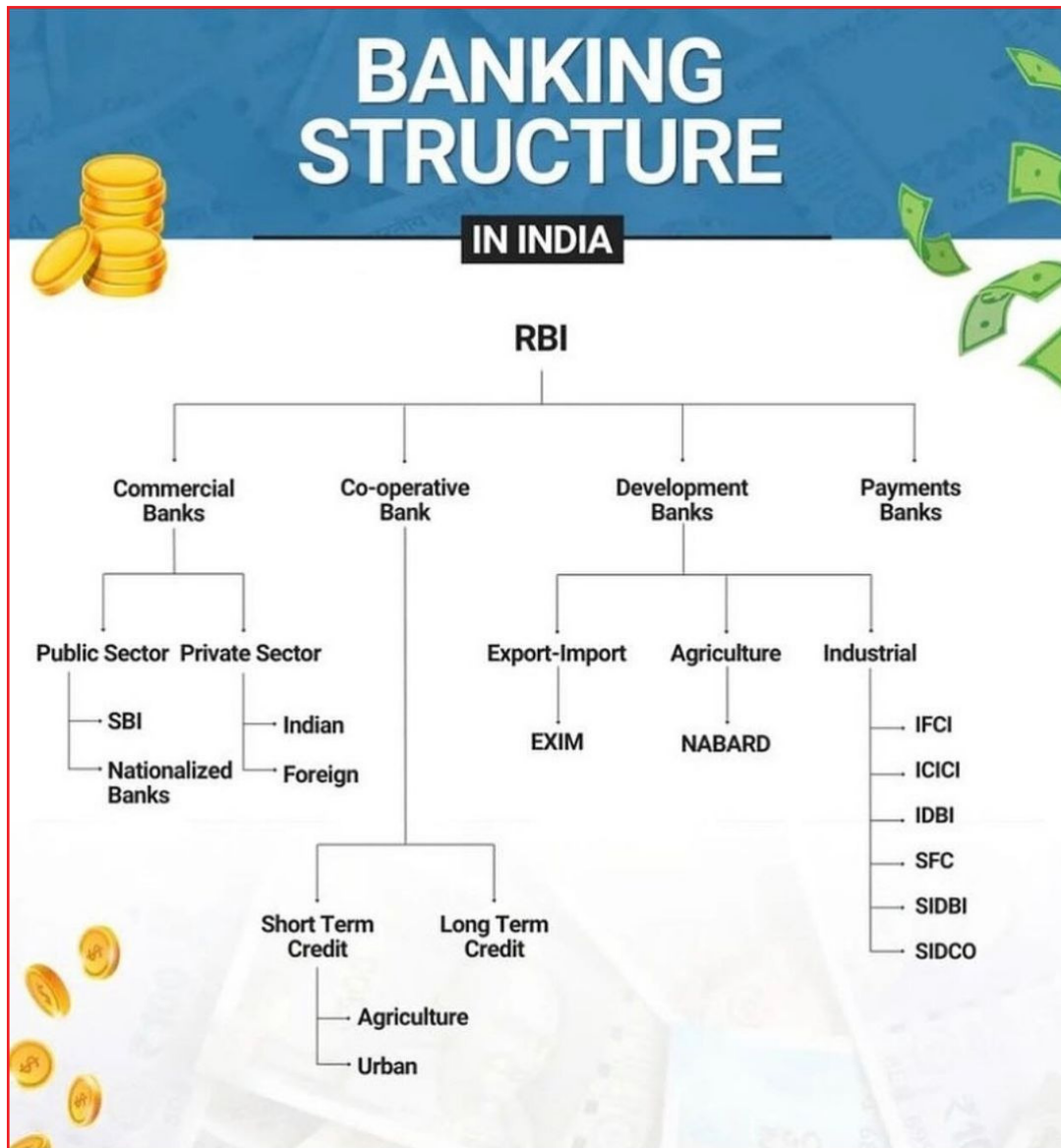
- The RBI has taken several initiatives to promote financial inclusion and access to banking services, especially in rural and remote areas.
- Measures such as branch licensing guidelines, priority sector lending norms, and the introduction of **payment banks** and **small finance banks** have expanded the reach of formal banking services to previously underserved segments of the population.

● **Foreign Exchange Management:**

- The RBI also manages all foreign exchange under the **Foreign Exchange Management Act of 1999**.
- The RBI intervenes in the foreign exchange market to prevent excessive volatility in the exchange rate and maintain external sector stability. India's robust foreign exchange reserves are a testament to the RBI's effective management in this regard.

➤ **Payment and Settlement Systems:**

- The RBI has been proactive in modernizing payment and settlement systems to facilitate efficient and secure transactions.
- The RBI has overseen the modernization of payment systems, introducing initiatives such as **Real-Time Gross Settlement (RTGS)**, **National Electronic Funds Transfer (NEFT)**, and **Unified Payments Interface (UPI)**, facilitating faster and seamless transactions.



➤ **Technological Advancements:**

- The RBI has embraced technological advancements in banking and finance, promoting digital banking, electronic payments, and fintech innovation to enhance efficiency and inclusivity in the financial sector.

● **Regulation of Non-Banking Financial Companies (NBFCs):**

- With the growing importance of **NBFCs** in India's financial system, the RBI has strengthened regulations to enhance their resilience and mitigate systemic risks.
- It introduced guidelines for asset-liability management, capital adequacy, and corporate governance to ensure the stability of the NBFC sector.

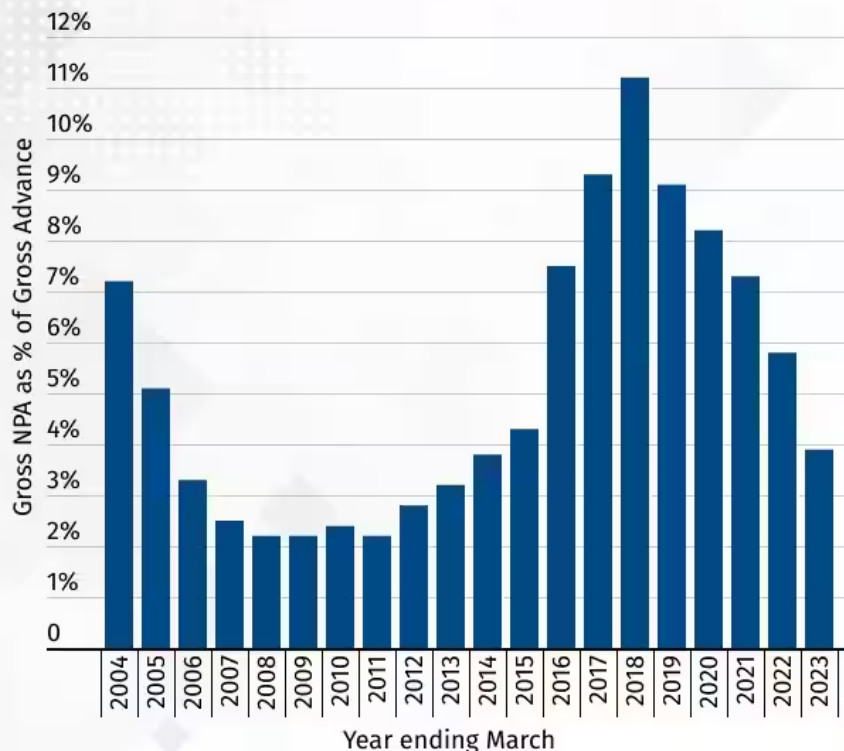
➤ **Economic Development Support:**

- Through its monetary policy measures and developmental initiatives, the RBI has contributed to fostering economic growth, employment generation, and overall development of the economy.
- It has helped in setting up a sound structure of Development Banking. Several Industrial, Agricultural, Export and other specialised financial institutions have been established.

➤ **Enhanced Public Confidence in the Banking Sector:**

- The Reserve Bank has taken appropriate measures to enhance public confidence in the banking systems. It strictly supervises the working of the **Scheduled Commercial banks** so as to avoid their failures.
- The **Deposit Insurance and Credit Guarantee System** has also been introduced to protect the interests of the depositors. It has proved an important factor in promoting depositors' confidence in banks.

NPAs OF SCHEDULED COMMERCIAL BANKS



Source: India Stat and
RBI Monthly Bulletins



What are the Challenges Encountered by the Reserve Bank of India (RBI)?

➤ Autonomy of RBI:

- Under **section 7 of the RBI Act**, the central government may from time to time give such directions to the RBI as it may, after consultation with the Governor of the Bank, consider necessary in the public interest. Moreover, there is no legal act mandating the autonomy of the RBI.
- There have been instances where the government has sought to exert influence over RBI's decision-making process, particularly in matters related to monetary policy, regulatory actions, and the use of reserves.

➤ Inflation Management:

- Despite the RBI's efforts to implement a flexible inflation-targeting framework, controlling inflation remains a significant challenge.
 - As per the data released by the **National Statistical Office (NSO)**, the rate of price rise in the food basket, which constitutes nearly half of the CPI, increased to 9.53% in December 2023.
- India's complex economic structure, supply-side constraints, and external factors such as oil prices often pose challenges to achieving the inflation target.

- For example, fluctuations in global commodity prices can impact domestic inflation dynamics, making it difficult for the RBI to maintain price stability.

➤ Writing off Loans without Adequate Recovery:

- This huge loan write-off aided banks in bringing down **Gross Non-performing Assets (GNPA)** – or loans defaulted by borrowers – to a 10-year low of 3.9% of advances in March 2023.
- While writing off loans without adequate recovery efforts may improve the short-term balance sheet, it does not address the underlying issues causing NPAs, leading to concerns about transparency and reliability of financial reporting.

➤ Financial Stability and Systemic Risks:

- Ensuring financial stability and mitigating systemic risks are ongoing challenges for the RBI. Rapid credit growth, interconnectedness among financial institutions, and vulnerabilities in certain segments such as shadow banking pose risks to the stability of the financial system.
- The recent episodes such as those involving the financial crisis in **YES Bank** and **Infrastructure Leasing & Financial Services Ltd** underscore the need for enhanced oversight mechanisms.

➤ Incomplete Transmission of Monetary Policy:

- Incomplete Transmission of Monetary Policy means that

the cumulative easing in policy rates by RBI has not yet been reflected in the lowering of their lending rates by banks.

- Factors such as rigidities in the banking system, liquidity conditions, and risk perceptions influence the effectiveness of monetary policy transmission.

➤ **Digitalization and Cybersecurity:**

- The rapid pace of technological advancements in the banking sector often outpaces regulatory frameworks, leading to challenges in ensuring compliance with evolving cybersecurity standards, data protection regulations, and consumer protection laws.
 - The recent **Paytm crisis** has not only rocked the banking sector, but also unsettled the entire **startup ecosystem in India**.
- The rise in **cyber threats**, including hacking, phishing, and **ransomware attacks**, poses risks to

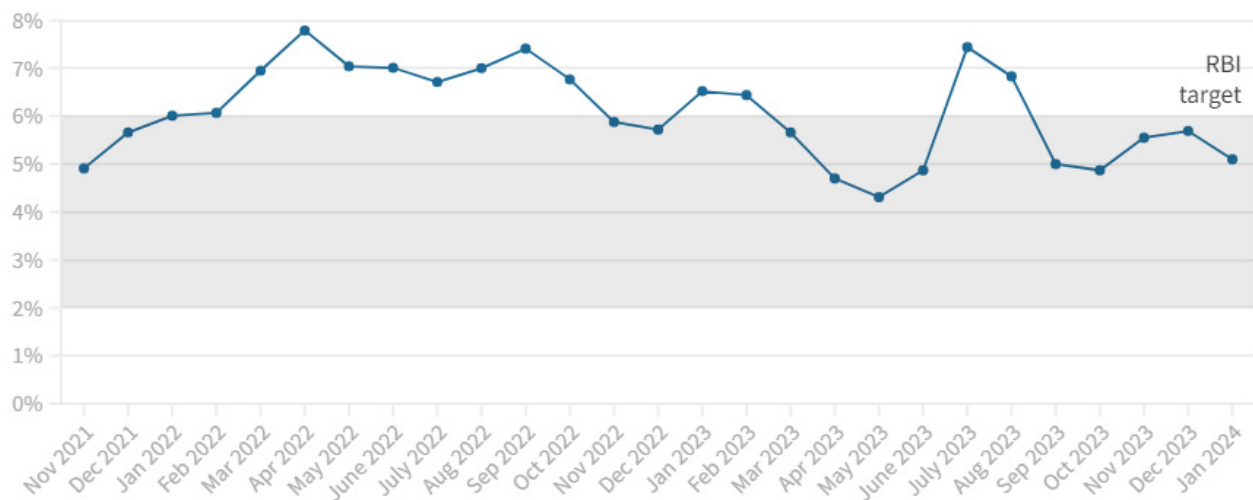
the integrity and resilience of the financial infrastructure.

➤ **Financial Inclusion and Access to Credit:**

- While the RBI has made significant efforts to promote **financial inclusion**, access to credit remains a challenge, especially for small and marginalized borrowers.
- Rural areas often lack sufficient bank branches, making it challenging for residents to access financial services. Rural areas often lack the high-speed internet connectivity needed to fully support digital banking services.
 - A recent report by **PhonePe and Boston Consulting Group** concluded that India's digital payments market will more than triple from **USD 3 trillion to USD 10 trillion by 2026**, with much of this growth driven by rural areas.

India's retail inflation rate

Shaded area shows RBI's target range of 2 to 6%



Source: MoSPI • The Hindu Graphics

What Strategies Should be Adopted to Improve the Functioning of the Reserve Bank of India (RBI)?

➤ **Strengthening Regulatory Framework:**

- Enhance regulatory frameworks to ensure robust supervision and regulation of banks and financial institutions, including periodic reviews and updates to adapt to changing market dynamics and emerging risks.
- **The Raghuram Rajan committee (2008)** on financial sector reforms first proposed the creation of the **Financial Stability and Development Council (FSDC)** to strengthen

financial stability and coordination among regulators.

➤ **Enhancing Financial Inclusion:**

- Implement measures to promote greater financial inclusion, such as expanding access to banking services, promoting digital payments, and supporting initiatives to reach underserved populations and regions.
- The **Nachiket Mor Committee (2014)** on Comprehensive Financial Services for Small Businesses and Low-Income Households recommended a phased approach towards achieving universal financial inclusion through innovative delivery mechanisms.

➤ Improving Monetary Policy Transmission:

- Address bottlenecks in monetary policy transmission mechanisms to ensure that policy rate changes effectively influence lending and borrowing rates across the financial system, promoting credit flow to productive sectors of the economy.
- The RBI has introduced measures such as the **Marginal Cost of Funds based Lending Rate (MCLR)** to improve the transmission of policy rate changes to lending rates by banks.

➤ Enhancing Risk Management Practices:

- Strengthen risk management frameworks within banks and financial institutions to identify, assess, and mitigate various risks, including credit, liquidity, operational, and cyber risks.
- Efforts such as the **Insolvency and Bankruptcy Code (IBC)** framework have aided in resolving issues like bad loans, paving the way for healthy credit growth.

➤ Promoting Technological Innovation:

- Encourage technological innovation and adoption within the financial sector, including fintech solutions, digital banking services, and **blockchain technology**, while ensuring data security and consumer protection.
- In August 2019, the Reserve Bank of India established its own **Regulatory Sandbox (RS)** ecosystem, making it one of the few countries to have such a system for enabling the controlled and systematic expansion of the **FinTech ecosystem** in the country.

➤ Increasing Transparency and Communication:

- Enhance transparency and communication channels between the RBI, financial institutions, and the public to improve understanding of monetary policy decisions, regulatory changes, and the overall functioning of the central bank.
- The RBI Governor's bi-monthly monetary policy statement and press conferences provide clarity on policy decisions and outlook.

➤ Capacity Building and Training:

- Invest in capacity building and training programs for RBI staff and stakeholders to enhance skills, knowledge, and expertise in areas such as financial regulation, supervision, monetary policy, and emerging technologies.
- The **Damodaran Committee on Customer Service (2011)** in Banks recommended enhancing training programs for bank employees to improve customer service and satisfaction

➤ Strengthening Governance and Accountability:

- Implement measures to enhance governance structures, accountability mechanisms, and internal controls within the RBI to ensure effective decision-making, transparency, and integrity in operations.
- The **P.J. Nayak Committee (2014)** on Governance in Banks recommended enhancing the autonomy and governance of public sector banks to improve their efficiency and accountability

➤ Collaboration and Coordination:

- Foster collaboration and coordination with other regulatory authorities, government agencies, international organizations, and stakeholders to address cross-cutting issues, promote financial stability, and achieve common objectives.
- The RBI participates actively in international forums such as the **Financial Stability Board (FSB)** and the **Bank for International Settlements (BIS)** to exchange information and coordinate policy efforts.

Conclusion

RBI transcends its role as a central bank to become a beacon of excellence and innovation. It serves as a guardian of stability and resilience in the face of global uncertainties, leveraging advanced risk management tools and fostering a culture of prudence and foresight. Together, guided by a shared vision of prosperity and progress, RBI can unleash its full potential as a driving force for creating a "**Viksit Bharat**".



Fostering College Autonomy

This editorial is based on "**Universities must budge on college autonomy nudge**" which was published in *The Hindu* on 05/04/2024. The article highlights that **Universities need to address the autonomy related concerns of colleges as autonomy has a transformative effect on higher education.**

Tag: GS Paper - 2, Education, Government Policies & Interventions, GS Paper-3, Inclusive Growth

Lately, there has been an increasing demand to provide sufficient autonomy to educational institutions and colleges. The **National Education Policy 2020** envisions a future where colleges will evolve into autonomous institutions, enhancing their capacity for innovation, self-governance, and academic freedom. To realise this goal, the **University Grants Commission (UGC)** launched a new regulation in April 2023. Since then, the response from colleges seeking autonomous status has been unprecedented.

What are the NEP Recommendations for Higher College/Higher Education?

➤ Gross Enrolment Ratio (GER):

- **GER** in higher education to be raised to 50% by 2035. Also, 3.5 crore seats to be added in higher education. The GER in higher education was 27.1% in 2023.

➤ Courses-Cum-Curriculum Reforms:

- Holistic undergraduate education with a flexible curriculum can be of 3 or 4 years with multiple exit options and appropriate certification within this period.
- M.Phil courses will be discontinued and all the courses at undergraduate, postgraduate and PhD level will now be interdisciplinary.
- **Academic Bank of Credits** to be established to facilitate Transfer of Credits.

➤ National Research Foundation:

- The **National Research Foundation (NRF)** will be created as an apex body for fostering a strong research culture and building research capacity across higher education.
- Multidisciplinary Education and Research Universities (MERUs), at par with IITs, IIMs, to be set up as models of best multidisciplinary education of global standards in the country.

➤ Higher Education Commission of India (HECI):

- **HECI** will be set up as a single umbrella body for the entire higher education, excluding medical and legal education. Public and private higher education institutions will be governed by the same set of norms for regulation, accreditation and academic standards. Also, HECI will be having four independent verticals namely,
 - National Higher Education Regulatory Council (NHERC) for regulation,
 - General Education Council (GEC) for standard setting,
 - Higher Education Grants Council (HEGC) for funding,
 - National Accreditation Council (NAC) for accreditation.

➤ Autonomy to Colleges:

- Affiliation of colleges is to be phased out in 15 years and a stage-wise mechanism to be established for granting graded autonomy to colleges.
- Over a period of time, every college is expected to develop into either an autonomous degree-granting College, or a constituent college of a university.

Learning plan

A look at the key features of the new education policy:

• R.V.S. PRASAD



- Public spending on education by States, Centre to be raised to 6% of GDP
- Ministry of Human Resource Development to be renamed Ministry of Education
- Separate technology unit to develop digital education resources



SCHOOL EDUCATION

- Universalisation from age 3 to Class 10 by 2030
- Mission to ensure literacy and numeracy skills by 2025
- Mother tongue as medium of instruction till Class 5 wherever possible
- New curriculum to include 21st century skills like coding and vocational integration from Class 6
- Board exams to be easier, redesigned



HIGHER EDUCATION

- New umbrella regulator for all higher education except medical, legal courses
- Flexible, holistic, multi-disciplinary UG degrees of 3-4 years' duration
- 1 to 2 year PG programmes, no M.Phil
- College affiliation system to be phased out in 15 years

Note:**Eligibility Criteria For College Autonomy:**

- As per the rules & regulations stated by the **Rashtriya Uchchatar Shiksha Abhiyan (RUSA)** the colleges which fall under the given categories are eligible for autonomy:
 - HEI of any field/discipline (of any discipline) – aided/unaided/partially aided/self-financed can claim for autonomous status if they fall under Section 2(f) of the UGC Act.
 - The college must at least have completed 10 years.
 - The HEI must have achieved NAAC - National Assessment and Accreditation Council Accreditation.
 - Colleges with the National Board of Accreditation (NBA) are also eligible if they have three programs with a minimum score of 675.
 - Existing HEIs that aim to extend their autonomy status need to manage these eligibility terms and conditions for a maximum of five years.
 - HEIs with a score of 3.0 & above in NAAC/NBA/Corresponding Accreditation Agency will also be considered for autonomy after the decision of the on-site peer visit committee.
 - HEIs having a NAAC/NBA/Corresponding Accreditation with a score of 3.26 or more, up to 3.5 for one cycle & accredited in the second cycle will also be eligible without any on-site visit by experts.
 - HEIs having a pointer of 3.51 in NAAC/NBA/Corresponding Accreditation and a score of 750 will also be eligible without any on-site visit by experts.
 - The HEIs are required to follow the UGC Regulations such as (a) No cases of ragging in college (Regulations 2012); (b) Promotion of Equity in HEI (Regulations 2012) (c) Proper Grievance Redressal (Regulations 2012), and likewise in written letter and spirit.

What is the Significance of Granting Autonomy to Colleges?

- **Tailoring Curriculum and Teaching Methodologies:**
 - Granting autonomy to colleges is essential for promoting innovation, enhancing academic quality, and fostering institutional excellence. Autonomous colleges can tailor their curriculum to meet the evolving needs of students and industries.

- They can experiment with new teaching methodologies and research initiatives, driving the frontiers of knowledge and contributing to societal development.

➤ **Promoting Institutional Efficiency:**

- Autonomy fosters a culture of accountability and responsibility among colleges, as they assume greater ownership of their academic and administrative decisions.
- This empowerment enhances institutional efficiency and cultivates a sense of pride and identity within colleges, in turn motivating faculty and staff to strive for excellence.

➤ **Improving NIRF Ranking:**

- The **National Institutional Ranking Framework (NIRF)** of 2023 suggests a compelling case for the effectiveness of autonomy in enhancing the performance of colleges in India.
 - In the 'Colleges Category', with 55 out of the top 100 colleges being autonomous institutions, the NIRF rankings offer insights into the positive consequence of autonomy on academic excellence and institutional effectiveness.
 - Besides, in the top 10 colleges of the NIRF Rankings of 2023 from the college category, five are autonomous colleges.
 - Having half the top spots occupied by autonomous colleges significantly strengthens the case for autonomy as a successful approach to achieving academic excellence.

➤ **Nationwide Interest in Maintaining Autonomy of Colleges:**

- In India, higher education is increasingly embracing autonomy, with the number of autonomous colleges expected to reach 1,000 across 24 States and Union Territories. States like Andhra Pradesh, Karnataka, Maharashtra, Tamil Nadu, and Telangana lead this trend, boasting over 80% of the total autonomous colleges.
- This nationwide interest in autonomy is evident even in states with fewer autonomous institutions, indicating a growing recognition of its transformative impact on higher education.

What are the Different Concerns in Autonomous Functioning of Colleges?

While the UGC proposes the autonomy of colleges, unfortunately, some universities have been reluctant to relinquish control for questionable reasons. Therefore, addressing the challenges that colleges encounter even after receiving autonomy from the UGC is crucial.

➤ **Imposing Limitations on Colleges:**

- Some universities impose limitations on the extent of autonomy granted to colleges. One common restriction is the imposition of caps on syllabus changes, often allowing only a fraction, typically 25%-35%, to be altered. This constraint hinders colleges from exercising their autonomy, particularly that concerning curriculum development and academic innovation.

➤ **Delays in Recognition of Autonomy:**

- One prominent issue that colleges encounter despite being granted autonomy by the UGC is that they often find themselves grappling with delays from universities in recognising this autonomy. Such delays not only hamper the efficiency of the operation of colleges but also undermine the spirit of autonomy, as colleges may still feel tethered to the bureaucratic processes of the university.

➤ **Imposing Arbitrary Fees:**

- Also, colleges may find themselves subjected to arbitrary fees imposed by the university for the purposes of affiliation. This approach not only undermines the autonomy of colleges but also raises questions about the transparency and fairness of such practices by the universities.

➤ **Political Interference:**

- Appointments of key leadership positions, such as vice-chancellors and principals, are often influenced by political considerations. Governing bodies and decision-making structures of colleges are sometimes dominated by politically affiliated members.
- Undue political pressure on colleges to admit certain students, hire specific faculty, or make decisions that may not align with institutional priorities.

What Suggestions Should be Incorporated to Make Colleges More Autonomous?

➤ **Ensuring Compliance by State Councils:**

- The State Councils for Higher Education must ensure effective implementation of UGC regulations on autonomy. Universities must recognise the importance of addressing the concerns of autonomous colleges within the broader framework of higher education reform.
 - They must streamline decision-making processes between colleges and universities, ensuring that autonomy translates into meaningful empowerment for colleges.

➤ **Embracing Trust and Collaboration:**

- By embracing a culture of trust and collaboration, universities can create an environment where autonomous colleges feel supported and empowered. This includes allowing them the freedom to innovate in their teaching methods, research initiatives, and administrative practices, while ensuring that they maintain high academic standards.
 - This collaborative approach can lead to mutual benefits, such as improved academic quality, enhanced institutional effectiveness, and a stronger higher education system overall.

➤ **Creating Supportive Environment:**

- To promote autonomy effectively, universities must create a supportive environment that encourages innovation, excellence, and inclusivity in higher education. This means empowering colleges to make independent decisions and take risks in order to improve the quality of education they offer.
 - For autonomy to be successful, all stakeholders, including university administrators, faculty, students, and government bodies, must work together.

➤ **Maintaining Financial Sustainability and Independence:**

- Traditionally, many colleges in India, especially public/government-funded ones, have been heavily reliant on budgetary allocations from the state or central government.
- There is a need for ensuring financial sustainability, as autonomous colleges should manage their finances independently, which can be challenging without proper planning and resources.

➤ **Profound Education with Choice-Based Credit System (CBCS):**

- As an institution, CBCS needs to be introduced rather than the traditional learning system. It enables students to get interdisciplinary education and to learn the subjects they like. There's no compulsion to learn only the course-specific subjects. Rather than evaluating the academic student performance via marks & percentages, the CBCS system uses credits.

➤ **Implementing College Enterprise Resource Planning (ERP) Software:**

- As it is important for institutions to achieve NAAC/NBA accreditation to become eligible for attaining autonomy, implementing college Enterprise Resource Planning (ERP) software with accreditation data management software can be useful.

- It can collect, compile, manage, and store institutional data including all the documents & records that are necessary to generate complete compliance reports. It also has provision of managing data chronologically along with maintaining data privacy.

Conclusion

Granting autonomy to colleges is essential for promoting innovation, enhancing academic quality, and fostering institutional excellence. Autonomous colleges can tailor their curriculum to meet the evolving needs of students and industries, driving the frontiers of knowledge and contributing to societal development. Additionally, autonomy fosters a culture of accountability and responsibility among colleges, enhancing institutional efficiency and cultivating a sense of pride and identity.

The NIRF rankings of 2023 suggest a compelling case for the effectiveness of autonomy in enhancing the performance of colleges in India. Effective implementation of autonomy requires collaboration among stakeholders to ensure a vibrant and dynamic higher education ecosystem.



Reshaping Inclusive Health Care in India

This editorial is based on *"Shaping India's path to inclusive health care"* which was published in *The Hindu* on 08/04/2024. The article explains how India's health equity issues stem from a complex interplay of factors such as socioeconomic status, education, gender, geography, and access to healthcare services. Addressing these issues requires a multifaceted approach that goes beyond simply improving healthcare facilities.

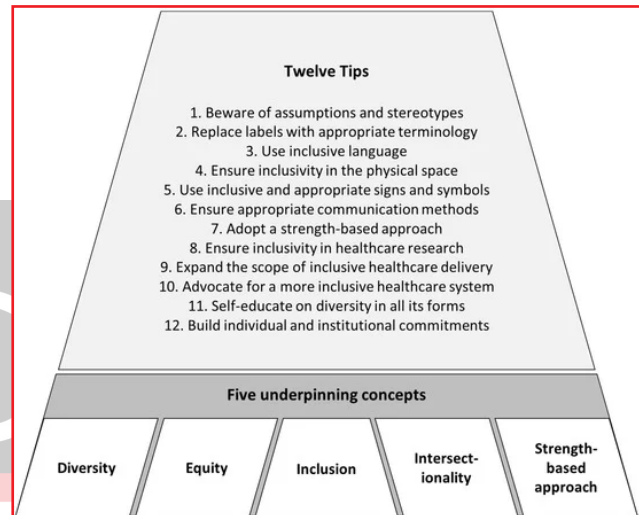
Tag: GS Paper - 2, Health, Government Policies & Interventions, GS Paper - 3, Government Budgeting, Planning.

World Health Day, which is observed every year on April 7, unites us around health equity, an essential topic at the heart of global health and justice. The **World Health Organization (WHO)** has declared health to be a fundamental human right. The theme this year is "My Health, My Right". There is an alarming gap in health-care access, highlighted by the **COVID-19** epidemic, environmental crises, and growing socio-economic gaps.

Even though over 140 nations recognise health as a constitutional right, the WHO Council on the Economics of Health for All reports that more than half the world's population needs complete access to essential health

services. With the passage of World Health Day 2024, it is clear that promoting health equity is a source of optimism for millions of people, going beyond social justice or legislative change.

The United Nations defines inclusive healthcare as "everyone, everywhere should have access to the health services they need without risk of financial hardship." **Sustainable Development Goals (SDGs)** target 3.8 ("Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all") also focuses on inclusive healthcare.



What is Inclusive Healthcare?

There is no one formula that makes care fully inclusive for everyone. It's important for inclusive care to be sustainable. That is, everyone involved needs to be willing to reevaluate and adapt as necessary. Four hallmarks of inclusive care include:

➤ Culture of Inclusion:

- Inclusive care should be built into the culture of an organization. All staff—not just those with MDs/MSs, but anyone who interacts with patients—should understand the types of common barriers faced by people.
- Staff should receive regular training to ensure that they do not become yet another challenge for patients to overcome. Inclusive care should begin with the very first interaction with a patient. A sustainable culture of inclusion is not a box to check, but a way of providing the best care for everyone who enters the space.

➤ Welcoming Spaces:

- Inclusive care has physical spaces that are accessible to people of all abilities. They include materials (clinical and logistical) in the languages

spoken by patients. The staff working in inclusive spaces should reflect the same types of diverse groups of people seeking care.

➤ **Accessible Materials:**

- Inclusive care extends beyond the physical space occupied to the materials available for patients. Inclusive materials may have large print, be available in multiple languages, use appropriate language (inclusive of all genders and sexual orientations), and be culturally sensitive.

➤ **Valuing All Patients:**

- Inclusive care includes patients in the decision-making process and takes patients concerns into account. Whenever possible those providing care should work alongside patients at their educational or intellectual level and with their means and access in mind.

What is the Meaning of Health Equity?

➤ **Every Person Has an Equal Opportunity:**

- Health equity ensures that every person has an equal opportunity to achieve their highest health potential, no matter what their circumstances. Recognising that social, economic, and environmental factors impact health outcomes, this idea goes beyond genetics. WHO's mission is to eliminate unfair and preventable disparities in health among different social and economic categories.

➤ **Addresses the Root Causes:**

- True health equity addresses the root causes of health inequities such as poverty, discrimination, limited access to high-quality education, a healthy diet, clean water, fresh air, and housing, and merely grants equal access to health care.
 - These differences are made worse by pandemics, climate change, and sociopolitical unrest. India is diverse and has wide socioeconomic gaps. Thus this predicament strikes a chord. Access to health care in rural areas is significantly less than in metropolitan areas. Social and economic barriers exacerbate this disparity.

➤ **Adopts a Comprehensive Strategy:**

- To guarantee that everyone may live a healthy life, attaining health equity necessitates a comprehensive strategy that goes beyond legislative reform to address the socioeconomic determinants of health. Realising each person's potential for health demands a concerted effort by governments, communities, and individuals to tear down these obstacles.

What are the Different Challenges to Health Equity?

The road to health equity is fraught with difficulties, ranging from deeply ingrained social injustices to global systemic health concerns, particularly in multicultural countries such as India. Diverse populations need help to get access to high-quality health care in this place.

➤ **The Global Challenges:**

○ **Risks Posed by Pandemics:**

- The fight for health equity confronts global challenges that transcend borders and call for collective international action. The COVID-19 pandemic has starkly revealed that infectious diseases target marginalised and vulnerable groups the most, thus widening the health equity gap.

○ **Climate Change Concerns:**

- Climate change poses a serious health risk since it disproportionately impacts low-income and vulnerable people. The health-care provision is severely hampered by conflicts, which destroy infrastructure, uproot communities, and shut off access to vital medical services.

➤ **India-Specific Challenges:**

○ **Large and Diversified Population:**

- With a large and diversified population, India faces persistent obstacles to health equity, including notable differences in health-care outcomes and access. Even though access to health care has improved over the past 20 years, there is still much work to be done in rural India.
- According to the **2011 Census**, urban slums make up over 17% of India's metropolitan areas, and exhibit serious health disparities. Health risks are increased by overcrowding, poor sanitation, and restricted access to clean water.
 - Infectious diseases, such as tuberculosis, are 1.5 times more common in slums than in non-slum areas, according to the **Indian Council of Medical Research (ICMR)**.

○ **Disparities Across Caste and Gender:**

- Disparities across caste and gender are profound. **National Family Health Survey (NFHS)-5** (2019-21) data indicates that Scheduled Castes and Scheduled Tribes experience higher child mortality and lower immunisation rates.
- Additionally, 59% of women in the lowest wealth quintile suffer from anaemia, almost

double the rate in the highest quintile, demonstrating the intersection of caste, gender, and economic status in health outcomes.

○ Burden of Non-Communicable Diseases:

- Non-communicable diseases (NCDs) account for more than 60% of all fatalities in India. The Public Health Foundation of India points out the necessity for equitable treatment access and preventive health care, stating that the economic effect of NCDs could surpass USD 6 trillion by 2030, which warrants urgent attention by the stakeholders.

○ Critical Shortage of Doctors:

- A critical shortage of doctors exacerbates these issues, with WHO data indicating only 0.8 doctors per 1,000 people, which is below the advised ratio. Even though over 75% of health-care professionals work in metropolitan regions, which only account for 27% of the

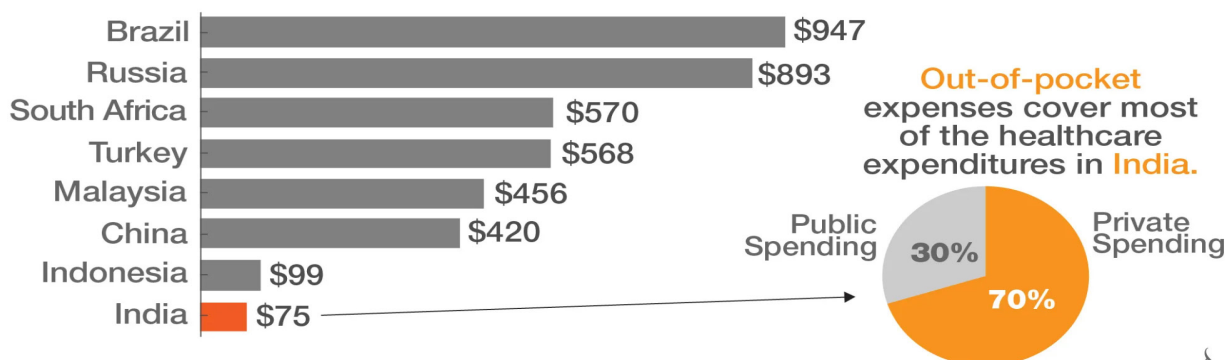
population, the shortage is particularly severe in rural areas.

○ Lack of Financial Protection:

- Despite the existence of schemes like **Janani Shishu Suraksha Karyakram**, the average out-of-pocket expenditure per delivery in public health facilities is still high, particularly in urban areas.
- There are significant disparities in **out-of-pocket expenditure (OOPE)** and access to healthcare services among different states in India. Many north eastern states and larger states have seen a rise in out-of-pocket expenditure between NFHS-4 and NFHS-5.
 - The latest report of NFHS-5 revealed that the average out-of-pocket expenditure per delivery in a public health facility is Rs. 2,916, which in the case of urban and rural stands at Rs. 3,385 and Rs. 2,770 simultaneously.

Health expenditure per person

Among the BRICS and other newly industrialised nations, India spends the least on health per capita.



Source: World Health Organization

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What are the Various Suggestions to be Incorporated in Providing Equitable Healthcare?

➤ Comprehensive Approach Beyond Healthcare Facilities:

- India's health equity issues require a comprehensive approach beyond improvements in health-care facilities to address more extensive socioeconomic determinants of health. To move India toward universal health coverage and a more equitable future, the government, civil society, health-care providers, and communities need to work together.

- Achieving health equity requires raising health literacy. India should turn health equality into a shared, community-driven goal by including health education in the **National Health Mission (NHM)**, enabling its people to seek equitable care and make educated health decisions

➤ Necessitating Government's Intervention:

- Governments and officials may influence the state of health through funding, creative policies, and laws. For instance, **India's Ayushman Bharat** initiative provides free health coverage to the bottom 40% economically, demonstrating a commitment to reducing health disparities.

- The NHM, which includes both the National Rural Health Mission (NRHM) and the National Urban Health Mission (NUHM), reduces the health-care gap between rural and urban India by expanding access, strengthening infrastructure, and providing essential services to vulnerable populations.
- **Public and Private Sector Collaboration:**
 - Together with the government, the public and private health-care sectors provide services to underprivileged communities, emphasising preventive education, workforce development, and infrastructure enhancement.
 - Non-governmental organisations and civic societies engage in direct community outreach to draw attention to and resolve regional health concerns. Their collaboration with international and governmental organisations allows them to tailor health initiatives that are culturally sensitive to the community's unique needs.
- **Reliance on International Institutions:**
 - International institutions can provide financial and technical resources to support healthcare systems in developing countries. This can help improve infrastructure, training, and access to essential medicines and technologies.
 - International institutions such as WHO, the Global Fund for AIDS, Tuberculosis and Malaria, and Gavi-Global Vaccine Alliance support health initiatives in places with limited resources and promote sharing information and resources to enhance health-care systems, especially in countries such as India.
- **Promoting Innovation and Technical Growth:**
 - Through innovation and technical growth, particularly in digital health, the commercial sector and charitable organisations advance accessibility and affordability while extending reach and efficacy.
 - Research institutes and academic institutions offer crucial insights into health inequalities and the efficacy of interventions, assisting in creating evidence-based practices and policies supported by scientific studies.
 - Technological advancements continue to drive innovation in healthcare, leading to improved diagnostics, treatments, and patient care. Some notable advancements include Precision Medicine and Genomics, Artificial Intelligence (AI) and Machine Learning (ML), Wearable Devices and

Remote Monitoring and Robotics and Automation.

- **Following Organisations With Strong Local Presence:**
 - Organisations with a strong local presence are essential for health equity. They actively participate in every phase, from planning to evaluation, to guarantee the relevance and effectiveness of health programmes. They also have a thorough understanding of their community's requirements.
- **Adopting Shared Approach and Open Communications:**
 - Successful collaborations, essential for achieving health equity, depend on open communication, respect for one another, and common goals. They are prepared to adapt to shifting health concerns and community demands because they strongly emphasise empowering communities, sharing knowledge, and building capacity.
 - Effective communication across many sectors, ranging from policymakers to grassroots organisations, may significantly enhance health equity and pave the path for a time when access to high-quality health care would be a shared reality rather than a privilege.
- **Increasing Allocation as Percentage of GDP:**
 - According to the budget estimates for fiscal year 2020, about 1.35% of India's GDP was spent on public health. This was a slight increase compared to the previous fiscal year when about 1.29% of the GDP was spent on healthcare.
 - The Fifteenth Finance Commission recommends that the public health expenditure of the Union and States should be increased together to reach 2.5% of GDP (Growth Domestic Product) by 2025.
 - Currently, 20% of the population has social and private health insurance, while the remaining 30%, known as the "missing middle," have no health insurance.

What are the Initiatives for the Health Care Sector?

- National Health Mission
- Ayushman Bharat.
- Pradhan Mantri Jan Arogya Yojana (AB-PMJAY).
- National Medical Commission
- PM National Dialysis Programme.
- Janani Shishu Suraksha Karyakram (JSSK).
- Rashtriya Bal Swasthya Karyakram (RBSK).

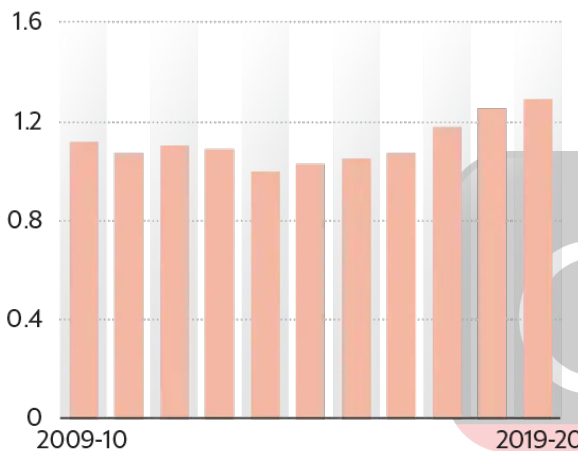
Conclusion

Inclusive healthcare is not just a matter of providing medical treatment; it is about creating a healthcare system that respects the dignity and rights of every individual. It requires addressing the diverse needs of all people, including those who are marginalized or vulnerable, and ensuring that healthcare services are accessible, affordable, and culturally competent. Inclusive healthcare is not only a moral imperative but also a practical necessity for achieving better health outcomes for all. By embracing inclusivity in healthcare, we can build healthier, more equitable societies where everyone has the opportunity to live a healthy and fulfilling life.

Health a low priority

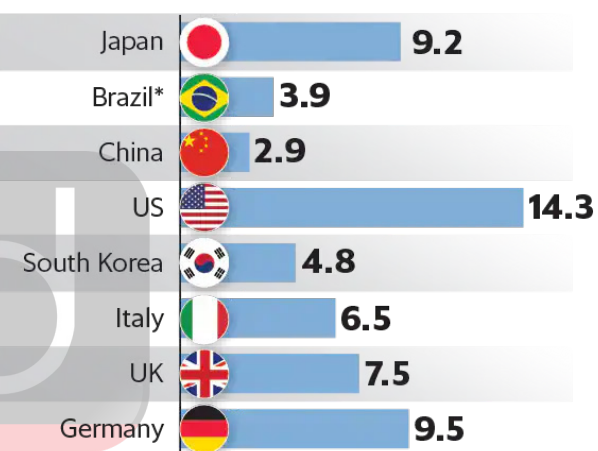
India's public health expenditure was just 1.29% of GDP in 2019-20. In 2018 too, the country lagged behind BRICs peers as well as developed nations.

India's (centre plus states) public expenditure on health (as % of GDP)



Source: National Health Profile 2019, Government of India; CARE Ratings' calculations

Public expenditure on health in 2018 (as % of GDP)



*For 2017

Source: OECD, Conta-Satélite de Saúde

Technological Penetration in Indian Army

This editorial is based on "[Marching ahead with technology absorption](#)" which was published in *The Hindu* on 09/04/2024. The article explores the pressing requirement to modernise the Indian Defence Sector. While the Indian military is progressing in a positive direction, the challenge lies in maintaining the absorption of technology while comprehending the requirements in a nuanced manner.

Tag: GS Paper-3, Indigenization of Technology, Defence Technology, GS Paper-2, Government Policies & Interventions.

The Indian Army is observing the year 2024 as the 'Year of Technology Absorption'. This theme underscores the Army's steadfast focus on embracing technology to transform itself so as to keep ahead of adversaries in the context of the evolving character of warfare. The means and end in this regard are visualised under the umbrella of Atmanirbharta.

In an era of uncertainty, the goals of [Atmanirbhar Bharat \(self-reliant India\)](#) and [Make In India](#) would mitigate risks on account of disruption or manipulation of critical supply chains - the kind of challenges that have constrained [Ukraine in its conflict with Russia](#).

The absorption will be mainly in terms of [disruptive technology \(DT\)](#) comprising [artificial intelligence \(AI\)](#), autonomous weapon systems such as drones, sensors, robotics, space technology, and [hypersonic weapon systems](#). Several nations, led by the US and China, have remarkable accomplishments in the field of DTs. The strategic competition and engagements in the future are going to be inevitably decided by the edge a nation possesses in absorbing these technologies.



What are the Different Aspects of Disruptive Technology in the Defence Sector?

➤ **About:**

- Disruptive technology refers to innovations that significantly alter the existing landscape of industries or sectors, often rendering previous technologies obsolete and reshaping traditional practices.
- In the defence sector, disruptive technologies have the potential to revolutionise warfare, redefine military capabilities, and transform the dynamics of national security.

➤ **Characteristics:**

- **Game-Changing Impact:** Disruptive technologies have the potential to revolutionise warfare by introducing novel capabilities or approaches that significantly alter the balance of power on the battlefield.
- **Rapid Advancement:** They often emerge from rapid advancements in fields such as artificial intelligence, robotics, cybersecurity, nanotechnology, and biotechnology, leading to exponential improvements in military capabilities.
- **Cost-Efficiency:** Disruptive technologies may offer cost-effective solutions compared to traditional systems, enabling militaries to achieve greater effectiveness with reduced resources.

➤ **Examples of Disruptive Technologies:**

- **Unmanned Aerial Vehicles (UAVs):** UAVs, commonly known as drones, have revolutionised military reconnaissance, surveillance, and strike capabilities. They offer real-time intelligence gathering, precision targeting, and operational flexibility, transforming military strategies and tactics.
- **Cyber Warfare:** Cyber warfare involves the use of computer networks to disrupt, disable, or sabotage enemy systems and infrastructure. Cyberattacks can target critical infrastructure, communication networks, and command-and-control systems, posing significant threats to national security.
- **Hypersonic Weapons:** Hypersonic weapons travel at speeds exceeding Mach 5, making them extremely difficult to intercept and providing a rapid-strike capability against distant targets. These weapons have the potential to change the dynamics of conventional warfare by reducing response times and increasing operational flexibility.

➤ **Impact on Military Operations:**

- **Enhanced Situational Awareness:** Disruptive technologies such as advanced sensors, data analytics, and artificial intelligence improve military's situational awareness, enabling commanders to make informed decisions in real-time and adapt to dynamic battlefield conditions.

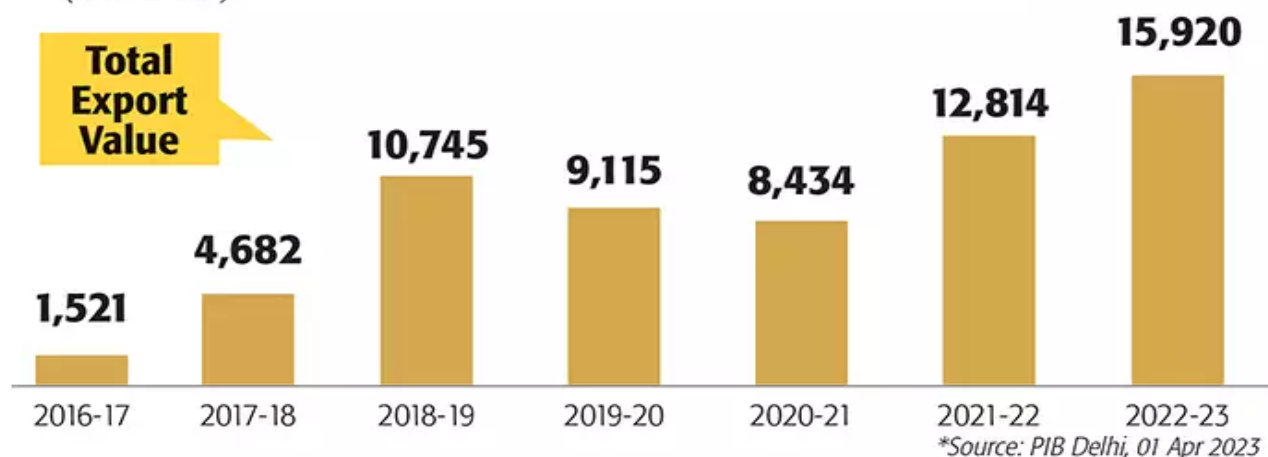
- **Precision and Lethality:** Disruptive technologies offer precision-guided munitions, autonomous systems, and enhanced targeting capabilities, resulting in greater accuracy and lethality in military operations while minimising collateral damage.

- **Asymmetric Warfare:** Disruptive technologies enable smaller, technologically advanced forces to challenge conventional military powers through asymmetric warfare tactics, including cyberattacks, drone swarms, and electronic warfare.

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THE RISING STORY OF DEFENCE EXPORTS

(In Rs crores)



What is the Relevance of Atmanirbhar Bharat in Modernising Defence Sector?

➤ About:

- India is one of the few countries to have designed and produced a fourth-plus generation fighter aircraft, nuclear submarine, successful **Surface-to-Air Missile (SAM)** system, **Main Battle Tank (MBT)**, an **ICBM** and an indigenised Ballistic Missile Defence System.
 - Despite a display of such high-end capabilities, over 50% of the Defence acquisition budget goes directly towards imports.
- Out of the other 50% which goes to Indian vendors, 60% goes indirectly to international players because of imported components integrated into the weapon system. In keeping with the Make-In-India program and Atmanirbhar Bharat, Defence Acquisition Procedure (DAP) - 2020 was started.
 - The journey started with 'Self-sufficient' to 'Self-reliant' to 'Coproduction' to 'Private sector participation' to 'Make in India' and finally to 'Atmanirbhar Bharat'.

➤ Defence Acquisition Procedure (DAP) - 2020:

- The **Defence Acquisition Procedure (DAP) 2020** prescribed 50% indigenous content (IC) in procurement contracts. To encourage foreign original equipment manufacturers (OEMs) to set up maintenance and manufacturing facilities in India, a new procurement category — Buy (Global-Manufacture in India) — has been introduced.
- This will enable *ab initio* indigenisation of spare parts. The Ministry of Defence (MoD) has released several "**Positive Indigenisation Lists**" that mention items that must be procured only from domestic sources.
 - Nearly 5,000 items are currently imported by the Defence Public Sector Units (DPSUs) and the three Services figure in this list.
- **Make-In-India in Defence Sector:** Keeping in line with the National vision of 'Make in India' and to cater for the 'Military Capability Voids', the source of Capital Acquisition was broadly classified as just:- 'Indian'; or 'Not-Indian':

- **Indian:** For a product to classify as Indian and fulfil the 'Make in India' vision, the vendor and his weapon system should **provide either or all of the following**:-
 - Production Line set up in India.
 - Technology is owned by an Indian firm.
 - Jobs are created for Indians.
 - Taxes are paid to the Indian Govt.
 - Supply chain management is set up in India.
 - Comes to the market as an 'Indian Brand'.
 - Priority of procurement from the 'Indian' classification could be:-
- Priority – I: Designed, Developed and Manufactured in India; or
- Priority – II: Developed and Manufactured in India; or
- Priority – III: Acquired and Manufactured in India; or
- Priority – IV: Partnered with a foreign vendor but Manufactured in India.
 - All the above, under the category 'India', will satisfy the National vision of 'Make in India' and should be analysed and certified by the Department of Defence Production.
- **Not-Indian:** Equipment which doesn't fulfil the National vision of 'Make in India' should be classified as 'Not-Indian', when neither does the technology come to India nor is the manufacturing line is set up in India:-
 - A temporary manufacturing line in India to deliver a capability or,
 - An outright import from a foreign vendor.

Different Technology Absorption Routes in Defence Sector

- **Co-development and Co-production:**
 - Co-development and co-production is seen as a very effective mechanism in state of the art technology induction and absorption. In joint development programs, the access to technology that individually the partnering companies / countries could not have developed is realised at substantially less cost and time.
- **Sub- Contracting / Contract Manufacturing:**
 - Sub-contracting / contract manufacturing occurs when a foreign vendor procures defence-related components, subsystems or products for export from industries in countries where the vendor has to meet offset obligations.

➤ Joint Ventures:

- The technology inflows can be affected through establishment of Joint Ventures (JVs). However, the investment level remains a critical factor affecting the success of a Joint Venture.
- In a Joint Venture with foreign equity participation restricted to 26%, the Original Equipment Manufacturers (OEMs), since they guard their Intellectual Property, may inhibit the collaborating partners from bringing in cutting-edge technology.

➤ Licensed Production:

- The transfer of technology (ToT) to a local defence industry capable of absorbing the technology, if implemented in true spirit, where both the supplier and the recipient are competent organisations, the local industry will be able to further develop the technology and this results in leapfrog on the existing technology lag.

➤ Maintenance ToT and Training:

- Long-term customer support activities have become mandatory. The training of local industrial partners and user agencies in maintenance of the system through applicable level of technology transfer ensures effective and committed maintenance support. The establishment of Maintenance Repair and Overhaul (MRO) Facility on partnership basis is an option to achieve this objective.

What are the Different Challenges in Absorption of Technology in the Defence Sector?

➤ Low R&D Expenditure:

- India's lack of focus on defence R&D and low overall researcher density have resulted in India being unable, thus far, to develop any breakthrough military technology or weapon system and remains amongst the largest importers of military equipment in the world.
- India spends only 0.8% of the **GDP** on all R&D and has 156 researchers per million population. In comparison, the USA spends 2.8% of its GDP and has 4231 researchers per million population, China spends 2.0 % of GDP and has 1113 researchers per million population and Israel spends 4.8% of GDP and has 8255 researchers per million population.

➤ Ineffective Relevance and Depth of Technology:

- The vendor (under DAP-2020) may offer transfer

of technology not directly related to the product or system being procured. Hence, the offers from foreign vendors need very careful and in-depth scrutiny to ensure that the technology being offered is relevant to defence applications both current and futuristic.

➤ **Licensing Issues:**

- Frequently, it is found that the technology concerned is subject to approval of the foreign government and hence obtaining the latest technology becomes difficult. In many areas of cutting-edge technologies, foreign suppliers do not part with their technologies citing patents, IPRs etc., or may fix enormous prices for the same.
- Even in cases where the supplier is willing to sell the technology for a price, the governments in question do not permit the same under their respective export control regime.

➤ **Concerns Regarding Determination of Multiplier Factor:**

- Since technology absorption becomes a key component of the offset agreement, suitable multiplier factors may need to be worked out, if required, to promote and encourage the foreign supplier who is willing to transfer the necessary technology.
- The negotiated value of the technology is often based on the foreign supplier's prior investment in R&D, the market value of the technology or the cost of developing the technology in India, which makes it disproportionately costlier.

➤ **Cybersecurity Vulnerabilities:**

- The growing reliance on digital technologies and networked systems in the defence sector exposes it to various cyber threats and attacks. Lack of robust cybersecurity frameworks, incident response mechanisms, and preparedness to mitigate evolving cyber risks.

➤ **Technological Obsolescence:**

- The equipment and platforms used by the Indian military tend to have long service lives, resulting in a mismatch with the fast-evolving technological landscape. Delayed modernisation and upgradation programs lead to the armed forces operating with increasingly outdated systems.
 - Weak industry-academia linkages and limited technology transfer from foreign collaborations constrain the development of indigenous defence technologies.

➤ **Technology, Not the Sole Determinant of War:**

- Analysts suggesting a military revolution due to new technologies argue that modern battlefields

are more lethal. However, recent conflicts like Russia-Ukraine and Armenia-Azerbaijan (Nagorno-Karabakh) show that the actual lethality experienced is not significantly different from earlier wars. This indicates that while technological advances are important, they are not the sole factor determining outcomes in war.

What are the Different Suggestions to be Incorporated to Ensure Smooth Technology Absorption?

➤ **Technological, Operational and Tactical Adaptations:**

- Technical countermeasures in wars quickly limit the performance of new technology-enabled weapons employed by an adversary. The most important adaptations are often not technological but operational and tactical, i.e., how a military fights at various levels. They involve changes in the way armies use the tools at their disposal.
- In present battle conditions, weapon platforms such as tanks must adapt to become more survivable. This will require a change in tactics and a greater integration of different types of capabilities. With a plethora of sensors on the battlefield, it has become almost impossible to hide these tanks.

➤ **Technological Progress, Together with Conventional Methods:**

- Rather than discarding conventional platforms in favour of purely digital solutions, the technology and its attributes need to be at the centre of planning for future plans. This will be a process that starts with the acknowledgement of vulnerabilities and sensitivities and the gap between them.
- One of the reasons behind 'Russia having the upper hand over Ukraine' on the battlefield now is the Russian army employing traditional methodologies to fight the war. Aspects such as consolidating traditional defence lines and a stronger military industrial base reliant on technological advancements are what matter finally.

➤ **Understanding the Potential of Latest Technologies:**

- An understanding of the latest technologies, their potential, and the context in which they can be utilised are essential. The absorption will have to visibly manifest itself at the unit levels, as against being controlled only at the higher levels. This democratisation in employing technology at cutting-edge levels is an imperative to usher in true transformation.

➤ **Technology Absorption Necessarily Including Multiple Aspects:**

- Technology absorption will also necessarily include several relevant aspects such as organisational restructuring, the management of human resources and cultivating specialists not merely at the higher levels but also decentralised at execution levels, civil military fusion, having a structure and policies to ensure data integrity, and having a procurement policy that is applicable to disruptive technologies.

➤ **Harnessing Potential of iDEX and DISC:**

- Certain very pragmatic initiatives have recently been taken by the Government such as the **iDEX (innovation for Defence Excellence)** and the DISC (Defence India Start-up Challenge) which will strengthen the innovation ecosystem. These programs aim to mobilise the capabilities available in the larger Indian start-up ecosystem to develop products for the armed forces and harness the available talent within the country.

Conclusion

Successful absorption of technology in the defence sector requires a comprehensive approach that addresses not only technological challenges but also organisational, human resource related, and policy considerations. It is crucial to focus on organisational restructuring, human resource management, decentralisation of expertise, civil-military fusion, ensuring data integrity, and implementing procurement policies suitable for disruptive technologies. By addressing these macro-level aspects, defence establishments can effectively absorb

and integrate new technologies, enhancing their capabilities and readiness in an evolving security landscape.



Making Climate Crisis Gender-Neutral

This editorial is based on "***The climate crisis is not gender neutral***" which was published in *The Hindu* on 10/04/2024. The article elucidates the unequal impact of the climate crisis, particularly highlighting women's increased vulnerability. It further underscores that achieving effective climate action necessitates the full engagement of the entire population, emphasizing that empowering women would lead to more effective climate solutions.

Tag: GS Paper - 2, Welfare Schemes, Issues Related to Women, Government Policies & Interventions.

The **climate crisis** is already here and does not impact everyone equally. Women and girls experience disproportionately high health risks, especially in situations of poverty, and due to existing roles, responsibilities and cultural norms. According to the **United Nations Development Programme (UNDP)**, women and children are 14 times more likely than men to die in a disaster. The **Supreme Court of India** has just ruled that people have a right to be free from the adverse effects of climate change, and the right to a clean environment is already recognised as a fundamental right within the ambit of the right to life.

What is the Relationship of Climate Change With Women Across Various Dimensions?

➤ **Health:**

- Women often bear the brunt of climate-related health risks due to their roles as primary caregivers and their biological susceptibility. They may face increased health challenges from heatwaves, extreme weather events, and the spread of vector-borne diseases such as malaria and dengue fever.
- Pregnant women and new mothers are particularly vulnerable, facing risks of malnutrition, complications during childbirth, and limited access to maternal healthcare services in the aftermath of climate disasters.

➤ **Livelihoods and Income:**

- Women, especially in rural areas of developing countries, are **disproportionately dependent on climate-sensitive sectors such as agriculture and forestry** for their livelihoods.
- Climate change-induced factors like unpredictable weather patterns, droughts, floods, and soil degradation can disrupt agricultural productivity, leading to loss of income and food insecurity for women farmers.
 - Additionally, women are often employed in informal and low-paying jobs, which offer little job security and are highly susceptible to climate-related disruptions.

➤ **Education and Literacy:**

- Climate-related disasters, such as floods and storms, can disrupt children's education by damaging infrastructure and forcing school closures. In many societies, girls are more likely to be withdrawn from school during such crises, either due to safety concerns or increased caregiving responsibilities.

Climate + Women

The Nexus

As Mary Robinson, Ireland's former president and the former UN commissioner for human rights, said, "People who are marginalized or poor, women, and indigenous communities are being disproportionately affected by climate impacts."¹

Women experience

disproportionate impacts

due to underlying socioeconomic, political, and legal barriers that limit their choices in the face of climate change.

BARRIERS INCLUDE



Limited access to financial resources and often lower pay.



2.5 times more unpaid work and care than men.



Discriminatory laws that limit female workforce participation.



Lack of voice in decision-making at the household, local, national, and international levels.



Restrictions on land ownership.



Lack of technology and capacity-building resources.

The Business Case

RISK



Climate impacts hit the poorest hardest and disproportionately affect women.

The gender barriers women face can also limit their adaptive capacity to climate impacts. This directly impacts a company's entire value chain, including through the workforce and local communities.

OPPORTUNITY

Climate resilience solutions with a specific focus on women can unlock multiple business benefits.



- **Drive productivity and innovation**, especially within sectors like agriculture and apparel.
- **Protect raw materials**, especially in agricultural supply chains.
- **Increase financial stability and returns** through solutions and investments that consider climate and gender equality.²
- **Strengthen the resilience of local communities** because women are well connected in their communities.
- **Deliver multiple other co-benefits** including stabilizing livelihoods, improving food security, and making progress toward closing the global gender gap.

➤ Water and Sanitation:

- Women and girls are often responsible for water collection and management within households, particularly in rural areas. Climate change-induced water scarcity and contamination can increase the time and effort required for water fetching, limiting women's opportunities for education, income generation, and community participation.
- Moreover, inadequate access to clean water and sanitation facilities disproportionately affects women's health and hygiene, leading to higher rates of waterborne diseases and maternal mortality.

How Does Climate Change Impact Women?

➤ Direct Relationship with Gender Based Violence:

- A 2021 report by the Council on Energy, Environment, and Water (CEEW) revealed that 75% of Indian districts face vulnerability to hydromet disasters such as floods, droughts, and cyclones. **NFHS 5** data indicated that more than half of the women and children in these districts are exposed to these risks.
- Recent studies increasingly demonstrate a direct link between these natural disasters and gender-based violence against women.

- In conflict-affected regions, which are also more prone to extreme weather events, gender-based violence is widespread.
 - For instance, in countries like Colombia, Mali, and Yemen, women and girls are particularly vulnerable to experiencing gender-based violence due to the combined effects of climate change, environmental degradation, and conflict, as noted in the submission of the Geneva Centre for Security Sector Governance.

➤ **Impact of Prolonged Heat Waves:**

- The past decade has been the hottest ever recorded in human history and countries such as India are likely to face unprecedented heatwaves. Prolonged heat is particularly dangerous for pregnant women (increasing the risk of preterm birth and eclampsia).
- Similarly, exposure to pollutants in the air (household and outdoor) affects women's health, causing respiratory and cardiovascular disease, and also the unborn child, impairing its physical and cognitive growth.
- Emerging data from cohort studies in India show that for every 10 micrograms per cubic meter increase in PM2.5, the risk of lung cancer increases by 9%, the risk of cardiovascular deaths on the same day by 3%, and stroke by 8%. For dementia, the risk increased by 4% for 2 micrograms increase in annual PM2.5.

➤ **Increased Rates of Child Marriage:**

- Child marriage has been observed in various communities in different countries and regions as a means of coping in the event of disaster, for example in Bangladesh, Ethiopia and Kenya as a means to secure funds or assets.
- Another commonly adopted coping mechanism in such communities is taking girls out of school to help in the household. Such means of coping set progress towards gender equality back decades and negatively affect the long-term resilience and adaptive capacity of the communities.

➤ **Adding Disproportionate Burdens:**

- It is noted that extreme weather events due to climate change disproportionately affect women and girls and their ability to perform their everyday tasks, which partly explains why some girls are forced to drop out of school.
- The tasks of collecting firewood and water in some countries, which traditionally fall to women and girls, are heavily affected by adverse climate change impacts, which force the women and girls to travel further from their homes to complete the tasks and provide for their families.

➤ **Impact of Rural to Urban Migration:**

- Extreme weather events have been observed to result in increased rural-to-urban migration among men in some countries, leaving women in charge of land and the household and other tasks traditionally performed by men.
- This results in an increased workload and decreased income for women, whose opportunities to earn income are limited by gender norms that affect their access to land ownership, thus increasing their current and future vulnerability to climate impacts.

➤ **Decreased Adaptive Capacity:**

- The adaptive capacity of women and men differs owing to women being less integrated into the formal economy, which in turn affects their position in decision-making processes. In Antigua and Barbuda, for example, women are more likely than men to generate income from informal tourism-related activities, which reduces their adaptive capacity in cases of extreme weather events such as hurricanes.
 - In its submission, [ILO](#) highlighted that informal employment affects access to health and safety mechanisms at work, increasing the risks for informal employees in the event of climate-related disaster.

➤ **Intersectionality of Different Discriminatory Factors:**

- In the cases of most marginalized groups, such as the [LGBTQIA community](#) and indigenous peoples, their capacity to adapt to the impacts of climate change is lessened owing to the multi-faceted intersection of social factors, which makes them more vulnerable to such impacts. This is despite women and indigenous peoples being identified as custodians of traditional and indigenous knowledge.

● **Impact of Climate Change on Women in Agriculture Sector:**

○ **Increased Food Insecurity:**

- Women play a crucial role in food production, processing, and distribution within households and communities. Climate change impacts such as crop failures, water scarcity, and changing rainfall patterns can directly affect women's ability to ensure food security for their families.
 - Within small and marginal landholding households, while men face social stigma due to unpaid loans (leading to migration, emotional distress, and sometimes even suicide), women experience higher domestic work burdens, worse health, and greater intimate partner violence.

➤ **Extreme Events Disrupt On-Farm Operations:**

- Changing weather patterns and extreme events deeply impact women's roles in agriculture. Variable rainfall and prolonged droughts lead to reduced crop yields, jeopardising food security for farming-dependent households.
- Women have traditionally been integral to on-farm operations and are often responsible for tending to crops and managing household food supply and consequently bear the brunt of these disruptions.

➤ **Economic Implications:**

- The economic implications of climate change for women in agriculture are substantial. Floods and extreme weather events can devastate crops and infrastructure, compelling women to prioritise family care and alternative income generation. Diminished crop yields due to extreme weather

events translate to reduced incomes, further exacerbating existing gender inequalities.

➤ **More Vulnerable due to Lack of Resources:**

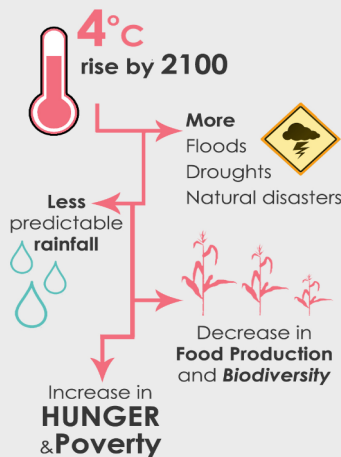
- Cultural norms and discriminatory practices hinder women's access to land ownership, a critical asset in agriculture. Women's lack of control over assets restricts their access to credit, loans, and insurance, rendering them vulnerable to climate-induced losses.
- According to the **UN FAO**, if women had the same access to productive resources as men, they could increase yields on their farms by 20-30%.
 - Extreme weather events and subsequent changes in water cycle patterns severely impact access to safe drinking water, which increases the drudgery and reduces time for productive work and health care of women and girls.

Women and Climate Change in the Ganges River Basin

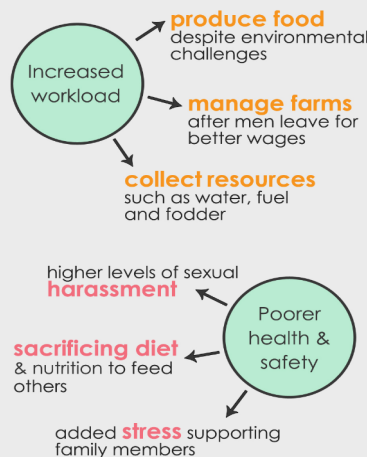
Poor women will bear the brunt in parts of India, Nepal and Bangladesh



How will climate change affect the Ganges Basin?



What does this mean for women living in poverty?



What should policymakers do?



This infographic was created to accompany IWMI Working Paper 159: A framework to understand gender and structural vulnerability to climate change in the Ganges River Basin: Lessons from Bangladesh, India and Nepal. 2014. Visit www.iwmi.org for more information



What Steps Need to be Adopted to Make Climate Crisis Gender Neutral?

➤ **Promoting Multi-Dimensional Empowerment of Women:**

- Climate action requires 100% of the population if we want to achieve the **Paris Agreement** goal of limiting global temperature rise to 1.5° C. At the same time, empowering women means better climate solutions; when provided with the same access to resources as men, women increased their agricultural yields by 20% to 30%.

➤ **Encouraging Local Solutions Through Self-Help Groups:**

- Tribal and rural women, in particular, have been at the forefront of environmental conservation. Giving women and women collectives (**Self-help Groups** and **Farmer Producer Organisations**) the knowledge, tools and access to resources would encourage local solutions to emerge. Adaptation measures will necessarily be different in rural and urban areas as exposure to heat, air pollution and access to water and food will vary by context.

➤ **Gathering Sex-Disaggregated Data:**

- In order to improve understanding of the role of women, in all their diversity, as agents of change, more comprehensive and generally applicable sex-disaggregated data need to be gathered. Currently, examples of the different roles of women and men as agents of change are context-specific.
- Deriving generally applicable inferences from these data would therefore involve homogenizing women's experience and behaviour, which is problematic given the diversity of women and the multitude of culturally specific contexts influencing the role of women as agents of change.

➤ **Reducing the Impact of Prolonged Heat Wave:**

- Efforts should be made to reduce the impact of prolonged heat on vulnerable groups such as outdoor workers, pregnant women, infants, young children, and the elderly. Data from several Indian cities indicate that there is an increase in deaths during heat waves, even if they are not officially recognized as such. The loss of productivity will affect both small and large businesses as well as our economy.
- Measures such as issuing heat wave warnings (based on local temperature and humidity), adjusting outdoor work and school timings, providing cooling rooms in health facilities, ensuring public drinking water facilities, and promptly treating those with heat stroke can help minimize deaths.

➤ **Involving Urban Local Bodies and Municipalities:**

- **Urban local bodies, municipal corporations** and district authorities in all vulnerable districts need to have a plan and provide training and resources to key implementers. In addition, urban planning to improve tree cover, minimising concrete, increasing green-blue spaces and designing housing that is better able to withstand adverse effects are longer-term actions.

- The Mahila Housing Trust in Udaipur showed that painting the roofs of low-income houses with reflective white paint reduced indoor temperatures by 3° C to 4° C and improved quality of life.

➤ **Mapping Key Water Resources:**

- Water shortage is probably the biggest threat to our very existence and needs concerted societal action. Traditionally, India had one of the most advanced systems for rainwater harvesting and storage with a system of ponds and canals.
- Work done by the M.S. Swaminathan Research Foundation in a few districts of Tamil Nadu showed that using **geographic information systems**, the panchayat could map key water sources, identify vulnerabilities and climate hazards and develop a local plan to improve water access by directing government schemes and resources.

➤ **Convergence of Sectors and Services at Local Levels:**

- Convergence of sectors and services and prioritisation of actions can happen most effectively at the village or **panchayat** levels. Devolution of powers and finances and investing in building the capacity of panchayat and SHG members can be India's way of demonstrating how to build resilience in a community-led and participatory way.

➤ **Reforming the Scope of NAPCCs and SAPCCs:**

- A gender lens needs to be applied to all State-action plans on climate change. The **National Action Plan on Climate Change (NAPCC)** and **State Action Plan on Climate Change (SAPCC)** highlight the impacts on women, yet often default to portraying them as victims, missing deeper gender dynamics.
- Recommendations for the ongoing revision of SAPCCs lay stress on the need to move beyond stereotypes, recognise the vulnerabilities of all genders, and implement gender-transformative strategies, ensuring a comprehensive and equitable approach to climate adaptation.

Conclusion

The impact of climate change on women is multifaceted and disproportionate, exacerbating existing gender inequalities and vulnerabilities. From livelihoods to health, education, and displacement, women bear a significant burden in adapting to and mitigating the effects of climate change. Addressing these gendered impacts requires holistic approaches that prioritize women's empowerment, access to resources, and

meaningful participation in decision-making processes. By recognizing and addressing the unique challenges faced by women, we can foster resilience, promote gender equality, and build a more sustainable and equitable future for all.



Electric Mobility: Is India Charged Up for the Future?

This editorial is based on “*Will e-mobility go the biofuel way?*” which was published in *The Hindu Businessline* on 08/04/2024. The article explains how India’s Electric Vehicles (EVs) segments’ growth may suffer due to

problems like battery availability/disposal and proposes viable solutions.

Tag: GS Paper-3, Indigenization of Technology, Industrial Policy, Environmental Pollution & Degradation

India is currently experiencing a wave of excitement surrounding **electric vehicles (EVs)**, towards a potential future of cleaner transportation. This shift towards EVs promises significant environmental benefits by reducing emissions in our cities.

However, to fully unlock the potential of e-mobility, it’s crucial to address some key areas. It includes India’s energy mix, charging infrastructure development, domestic battery manufacturing, and responsible battery disposal practices - all crucial aspects for building a robust and sustainable e-mobility ecosystem in India.

TYPES OF ELECTRIC VEHICLES

EV

(Electric Vehicle)

- No IC engine
- Only electric drive
- Battery pack size is large (20-80 kWh)
- Example: *Nissan Leaf, Tesla Model S*



HEV

(Hybrid Electric Vehicle)

- Has IC engine and electric motor
- The batteries get charged by the engine
- Battery pack size is medium (6-12 kWh)
- Example: *Honda Civic Hybrid*



PHEV

(Plug-in Hybrid Vehicle)

- Has IC engine and electric motor
- The batteries can be charged from an external source (plug)
- Example: *BMW i-8*



MHEV

(Mild Hybrid Vehicle)

- IC engine and electric motor
- Turns off the engine and switches to motor when coasting, braking and restarting quickly
- Cannot be solely driven on electric motor
- Example: *Chevrolet Silverado Hybrid*



What is E-Mobility?

Electric mobility (e-mobility) is a method that employs **electrical propulsion** partially or fully, to **power a wide range of vehicles**. Examples include cars, buses, and personal devices such as bicycles and scooters. There are two main types of electric mobility: **pure electric** and **hybrid**.

➤ About Electric Vehicles:

- **Electric Vehicles (EVs)** are run by electric motors which are powered by energy stored in batteries. EVs have an electric motor instead of an **Internal Combustion Engine (ICE)**.

- As an EV runs on electricity, the vehicle emits no exhaust from a tailpipe i.e. it has **zero tailpipe emission** and does not contain components, such as a fuel pump, fuel line, or fuel tank.
- EVs contribute directly to **Sustainable Development Goal (SDG) 7**, which aims to ensure **access to affordable, reliable and sustainable energy for all**.
- EVs promote the use of renewable energy sources by **reducing reliance on fossil fuels** and contributes towards India's 'Panchamrit' Targets at **COP26** climate summit.
- **Current Status of E-Mobility in India:**
 - According to the **Bureau of Energy Efficiency (BEE)**, the Electric Vehicle industry in India is far behind, with **less than 1% of the total vehicle sales**.
 - Currently, Indian roads are dominated by conventional vehicles and have approximately **0.4 million electric two-wheelers** and a few thousand electric cars only.
- **Target for EVs:** As per **NITI Aayog** report, the Indian government is aiming for EV adoption to reach **40 percent for buses, 30 percent for private cars, 70 percent for commercial vehicles, and 80 percent for two-wheelers by 2030**.

Why are EVs Crucial?

- **Environmental Benefits:** EVs have the potential to significantly reduce **greenhouse gas emissions** and combat **climate change**.
 - Unlike **fossil fuel** engine vehicles, EVs produce zero tailpipe emissions.
 - EVs help reduce carbon dioxide (CO₂) and other pollutants that contribute to air pollution, smog, and global warming.
 - Electric vehicles help reduce harmful pollutants such as **nitrogen oxides (NO_x)**, **particulate matter (PM)**, and **volatile organic compounds (VOCs)**.
 - This has a direct positive impact on public health, as cleaner air reduces the risk of respiratory and cardiovascular diseases.
- **Energy Diversity and Security:** EVs contribute to energy diversity by **reducing dependence on oil imports**.
- As the electricity grid can be powered by a mix of energy sources, including renewables like solar and wind. EVs offer the opportunity to shift transportation towards cleaner and more sustainable energy options.
- **Technological Advancements and Job Creation:** The development and adoption of EVs have spurred technological advancements in battery technology, electric drivetrains, and charging infrastructure.

- These advancements not only benefit the automotive sector but also have broader applications, such as energy storage for **renewable energy** sources and grid stability.
- Electric mobility **creates jobs and innovation** in battery manufacturing, **renewable energy**, and charging infrastructure.
- **Long-Term Cost Savings:** Electric vehicles have **lower operating costs**, as electricity is generally cheaper than gasoline or diesel.
 - Moreover, EVs have fewer moving parts and require less maintenance, resulting in reduced servicing and repair expenses over time.
- **Decongesting Cities:** Electric vehicles can help decongesting cities by promoting **shared mobility** and compact design.
 - **Shared mobility** refers to the use of vehicles as a service rather than as a personal asset. This can reduce the number of vehicles on the road and the need for parking space.
 - **Compact design** refers to the use of smaller and lighter vehicles that can fit more easily in urban spaces. This can also reduce congestion and emissions.
 - **Innovative and futuristic smart EVs** for shorter intra-city distances, day-trips, and the like would not need a bigger battery. That means less time to recharge and lower cost.

What are the Emerging Challenges Associated with E-Mobility in India?

- **Limited Environmental Benefit:**
 - India's **current dependence on fossil fuel-based electricity generation** significantly **diminishes** the potential **environmental benefits** associated with **electric vehicles**.
 - As per India Energy Outlook 2021, if India continues with its current energy mix (dominated by fossil fuels-75 percent), switching to EVs might not lead to a significant decrease in carbon emissions.
- **Range Anxiety and Infrastructure Bottlenecks:**
 - **Range anxiety** refers to the fear or concern of running out of battery charge while driving. The **limited driving range** is a significant challenge for EV adoption.
 - A report by the **Ministry of Power, India**, **mandates a charging station every 25 km on highways**. However, as of 2023, India has only around 1,800 charging stations, with most concentrated in major cities like Delhi, Mumbai, and Bengaluru.

- Additionally, **charging times are significantly longer** than refueling conventional vehicles.
- Setting up charging stations is **expensive**, requiring substantial investment in land and technology. The widespread adoption of EVs could also put a strain on electricity grids during peak demand hours.
- **Higher Tyre Emissions:**
 - **EVs tend to be heavier** than conventional vehicles, potentially leading to increased particulate matter **emissions from tires**, negating some of the **tailpipe emission** reduction benefits.
- **Battery Dependence and Supply Chain Issues:**
 - India lags in domestic battery manufacturing, **heavily relying on imports** (77 percent of total imports from China as per [Global Electric Vehicle Outlook, 2022](#)).
 - This raises concerns about future battery price hikes, especially considering the limited geographic sources of some raw materials.
 - Notably, **Biofuel development in India** hasn't thrived well as it did in Brazil, primarily **due to a shortage of feedstock of biofuels**.
 - Additionally, a **robust system for responsible battery disposal** is yet to be established, posing a potential environmental threat.
 - **Carbon Border Adjustment Mechanism (CBAM):** The European Union's implementation of the CBAM is set to affect several of our industries. CBAM could disproportionately affect developing countries that rely on exports to wealthier nations.

What are Some Government Initiatives to Promote EV Adoption?

- [New Electric Vehicle Policy 2024](#)
- [Faster Adoption and Manufacturing of Electric Vehicles \(FAME\) Scheme II](#),
- [National Electric Mobility Mission Plan \(NEMMP\)](#),
- [National Mission on Transformative Mobility and Battery Storage](#),
- [Production Linked Incentive \(PLI\) scheme](#)
- [Go Electric campaign](#)
- India is among a handful of countries that support the global **EV30@30 campaign**, which aims for at least 30% of new vehicle sales to be electric by 2030.

What are the Possible Ways to Boost E-Mobility in India?

- **Boosting Renewable Energy:** Transitioning towards renewable energy sources like **solar and wind power** is crucial to maximize the environmental benefits of EVs.

- Government Initiatives like [National Green Hydrogen Mission](#), [Global Biofuel Alliance \(GBA\)](#), [PM-KUSUM](#) aims to enhance India's Capacity in renewable energy production. It will ensure cleaner electricity generation for charging of EVs.
- **Expanding Charging Infrastructure:** Developing a network of charging stations, particularly along highways and rural areas, is essential to alleviate range anxiety. Exploring innovative solutions like **battery** swapping stations can significantly reduce charging time. However, standardization of battery design and collaboration among stakeholders is necessary for this approach.
- Government Initiatives like [National Mission on Transformative Mobility and Battery Storage](#), the [Production Linked Incentive \(PLI\) scheme](#) aims towards solving the infrastructural challenges related to charging of EVs.
- **Encouraging Domestic Battery Manufacturing:** Investing in domestic battery production capabilities is vital to reduce import dependence, control battery costs, and create new job opportunities. Collaboration between the government and industry can drive the development of a robust domestic battery supply chain.
- Government Initiatives like [Faster Adoption and Manufacturing of Electric Vehicles \(FAME\) Scheme II](#) are likely to aid domestic battery manufacturing for EVs.
- **Addressing Battery Disposal Challenges:** A well-defined system for disposing of used EV batteries is crucial for environmental sustainability. Raising public awareness about responsible battery disposal practices and investing in efficient recycling facilities are essential steps.
- Government Initiatives like the [New Electric Vehicle Policy 2024](#) and [Vehicle Scrappage Policy](#) are likely to address the battery disposal challenges.

Conclusion

The aim to build a successful e-mobility ecosystem requires a collective effort from the government, industry, and stakeholders. The government should play a vital role by providing financial incentives for EV adoption and domestic battery manufacturing. The industry needs to invest in infrastructure development, research, and innovation to create a robust and efficient e-mobility ecosystem fulfilling **SDG 7** for access to affordable clean energy to all.



Analyzing State Finances Through Budgets

This editorial is based on “*Decoding State Budgets*” which was published in Indian Express on 12/04/2024. The article explains various aspects of state budgets and emphasizes that the actual grants from the Centre to the states have consistently shown significant differences from the revised/budget estimates made by the states, especially regarding Centrally Sponsored Schemes.

Tag: GS Paper - 3, Mobilization of Resources, Government Budgeting, Infrastructure, GS Paper - 2, Education, Health

The ongoing election season has drawn sharp attention to **India's fiscal health**. While the Government of India's fiscal metrics are keenly dissected and well understood, the fiscal situation of state governments tends to be less scrutinised. However, the rise in market borrowings of state governments and key policy changes in recent years have rekindled an interest among market participants on the fiscal health of states.

State budgets are a rich source of publicly available information on state government finances. A web of factors among states makes analysing their budgets both interesting and challenging. Additionally, the publication of monthly fiscal indicators by the **Comptroller and Auditor General (CAG)**, albeit with modest lags, is useful in assessing emerging trends in state finances.

The 2024-25 budgets or **votes on account (VoA)** are available in the public domain for 26 states (except Arunachal Pradesh and Sikkim). An analysis of the data they contain reveals that the **states expect a 9.2 % growth in their combined revenue receipts** this year. While this growth appears moderate, it hinges on the correctness of the base revenues indicated in the revised estimates for 2023-24, among other factors.

What is the Fiscal Position of Indian State Governments?

➤ Over-Reliance on Their Own Revenues:

- Around half of the total revenues of states is from states' own tax revenues (SOTR). Therefore, a material deviation between the actual and indicated growth of own taxes can impact the expansion in the total revenues of the states.
- In the FY2025 Budget estimates (BE), the combined SOTR of the 26 states is set to expand by 13.8 % on the back of an even higher 15.4 % growth estimated in the previous year's revised estimates.

➤ Far Below Growth Levels of Own Taxes:

- Disappointingly however, the provisional data of

many of the sample states for April-February 2023-24 indicates that the growth of key components of own taxes such as sales tax, state **GST** and excise duty was far below the levels included in the revised estimates.

- This implies that a much higher growth would be needed to meet the absolute level of targets in the FY2025 budgets if the actual revenues last year turn out to be lower than those assumed.

➤ Devolution from the Centre to States:

- Around 40-45 % of the revenues of the states is accounted for by transfers from the Centre, taxes and grants. Taxes devolved by the Centre to the states are **projected to increase by 10.4 % in 2024**, in line with the growth indicated by the Government in the **interim Union budget**. States received an upside in their revenues on account of higher-than-budgeted tax devolution for three consecutive years during FY2022-24.

➤ Improved Tax Buoyancy:

- Till 2016-17, sales tax/VAT was the largest component of own tax revenue. From 2017-18, however, State Goods and Services Tax (SGST) has emerged as the most important source, followed by sales tax/VAT, excise duty, stamp duty and registration fees and taxes on vehicles.
- States' **tax buoyancy** has improved in the recent period. SGST collection has picked up since 2021-22 with a buoyancy above one, benefitting from the revival in economic activity and increased compliance due to improved tax administration, especially among the larger States.

➤ Reforms Undertaken by State Governments:

- States have undertaken taxation reforms to augment their own tax capacity. Several States have reset stamp duty rates, revised fair value of land parcels, and introduced e-stamping/ digital stamping of various non-registerable documents.
- Some States have revised the excise duty on liquor, increased license fees, introduced social security cess on liquor consumption and facilitated digital modes of payment at liquor outlets to boost collections.
- The most common reforms in motor vehicle taxation include revision of the life tax on vehicles, introduction of green tax/green cess, and implementation of strict enforcement practices by punishing vehicle tax defaulters with hefty penalties.

Table 2: Individual share of states in the taxes devolved the centre (out of 100)

State	14th FC 2015-20	15th FC 2020-21	15th FC 2021-26
Andhra Pradesh	4.305	4.111	4.047
Arunachal Pradesh	1.370	1.760	1.757
Assam	3.311	3.131	3.128
Bihar	9.665	10.061	10.058
Chhattisgarh	3.080	3.418	3.407
Goa	0.378	0.386	0.386
Gujarat	3.084	3.398	3.478
Haryana	1.084	1.082	1.093
Himachal Pradesh	0.713	0.799	0.830
Jammu & Kashmir	1.854	-	-
Jharkhand	3.139	3.313	3.307
Karnataka	4.713	3.646	3.647
Kerala	2.500	1.943	1.925
Madhya Pradesh	7.548	7.886	7.850
Maharashtra	5.521	6.135	6.317
Manipur	0.617	0.718	0.716
Meghalaya	0.642	0.765	0.767
Mizoram	0.460	0.506	0.500
Nagaland	0.498	0.573	0.569
Odisha	4.642	4.629	4.528
Punjab	1.577	1.788	1.807
Rajasthan	5.495	5.979	6.026
Sikkim	0.367	0.388	0.388
Tamil Nadu	4.023	4.189	4.079
Telangana	2.437	2.133	2.102
Tripura	0.642	0.709	0.708
Uttar Pradesh	17.959	17.931	17.939
Uttarakhand	1.052	1.104	1.118
West Bengal	7.324	7.519	7.523
Total	100	100	100

Sources: Reports of 14th and 15th Finance Commission; PRS.

What are the Different Concerns in Management of the State Finances?

➤ Significant Variation in Grants as Per Revised/Budget Estimates:

- Actual grants from the Centre to the states have consistently displayed significant variation from the revised/budget estimates made by the latter, particularly in the case of the **Centrally Sponsored Schemes (CSS)**. The actual amount received from the Centre depends on the state spending its share under the CSS, adherence to the other guidelines of the Centre including submission of utilisation certificates etc.

➤ Variance in Devolution of Grants Across States:

- During April-February 2023-24, the combined grants of a sizeable subset of the sample states declined by a considerable 22%, led by factors such as lower revenue deficit grants and the phasing out of **GST compensation**. Despite this, the 26 states have indicated a high 18% expansion in grants in their revised estimates, followed by a 7% contraction in their combined grants in 2024.

➤ High Debt Issuance:

- The actual debt issuance during March 2024 amounted to a surprisingly large Rs 1.9 trillion, 51% higher than the indicated amount of Rs 1.3 trillion. Several factors, such as a preference to hold larger cash going into the period of the **Model Code of Conduct (MCC)**, may have driven some states to expand their borrowings.
- It is also possible that some states have chosen to use up a larger part of their borrowing limit for 2023-24 before the year ended. Gross borrowing is projected to increase to Rs 10.5-11 trillion in the current year.

➤ Low Capital Spending by States:

- **Capital spending** is anticipated to start on a slow note in the first few weeks of the 2024 with parliamentary elections underway and the lull to sustain until the final Union Budget is presented. The tepidness may unfortunately extend further during the monsoon months.
- Overall, capital spending by states this year is likely to end up being heavily back-ended, which may influence the timing of the states' market borrowings over the course of the year.

➤ High Degree of Technical Inefficiency:

- In India, collection of different State taxes, viz., stamp duty and registration fees, sales tax/ VAT, excise duty on alcoholic beverages and motor vehicles tax suffer from a high degree of technical inefficiency.
- This is mostly related to the rate structure - stamp duty rates range between 5-8% across States as against the international average of less than 5%. High tax rates lead to high transaction costs, tax evasion and destabilisation of urban land markets.

➤ Lack of Uniformity in Motor Vehicle Tax Structure:

- The current rate structure of GST consisting of four tax slabs – 5%, 12%, 18%, and 28%, also adds to complexity. The motor vehicle tax structure in India lacks uniformity due to different bases for computation and different rates across, leading to varying incidence of taxes per vehicle in different States.
- Inter-state variations result from the application of 'lifetime' and annual tax rates to vehicle categories; use of specific and ad valorem rates; and multiplicity of rates. A substantial proportion of the arrears in revenue remains outstanding in courts and other appellate authorities depriving States of potential revenues.



Source: CNES-Infosphere Calculations

➤ **Resorting to Non Tax Revenue Measures:**

- Growing demand for public expenditures, limitations in expanding tax capacity and limited scope to deviate from common harmonized indirect tax system under the GST regime have induced States to look for opportunities to expand revenue mobilisation from non-tax sources.
- To augment revenues from non-tax sources, measures undertaken by State governments include, inter alia, e-auction of mining leases, royalty revision across different segments of mining minerals, revision of the penal rates to curb secret mining etc.

➤ **Divergence Between State and Central Governments:**

- In India, the Union government has the power to levy major taxes such as income tax, corporation tax and excise duties while States can levy taxes such as stamp duty, registration fees, VAT/sales tax on petroleum products and excise duty on liquor. By contrast, States have major expenditure responsibilities, especially economic and social services such as health, education, law and order leading to vertical fiscal gap, a common feature in many federal countries.
 - Vertical fiscal imbalance in India is higher than in countries like Brazil and Canada with Indian States collecting 37% of general government taxes while spending 64% of total expenditure.

➤ **Concerns Related to Cess and Surcharge:**

- While **cess and surcharge** are fundamentally distinct concepts, under Article 270 of the Indian Constitution, the revenue collected from both cess and surcharge are at the exclusive disposal of the Union government, i.e., these taxes are not required to be shared with the State governments. The revenue collected by the Union government from cesses increased from 6.4% of its gross tax revenue in 2011-12 to 17.7% in 2021-22.

What are the Different Suggestions to be Incorporated for Improving State Finances?

➤ **Maintaining Balance Between Tax and Non-Tax Revenues:**

- The Own Tax and Non-Tax Revenue Ratios of the **GSDP** should increase in a sustained manner, but to the extent that they do not impose undue burden on the people and do not kill their initiative and enterprise while pursuing the objective of restructuring.
- At the same time, It has to be ensured that financial resources so mobilized, flow into such channels which are consistent with priorities of the State. It has also to be ensured that outlays become the outcomes.

➤ **Prioritizing Inflows of Private Investments to Less Developed States:**

- Available statistics in respect of private investment since economic reforms indicate that most of the investment is flowing to those States which are more developed and have better infrastructure and efficient administration.
- The official aid flows from bilateral and multilateral agencies also show a similar trend of favouring developed States. These are clear indications for the less developed States like Chhattisgarh which are endowed with rich resources and have potential for growth but lack adequate resources to achieve high growth. These states should be provided adequate focus.

➤ **Recommendations of 12th Finance Commission:**

- The **XIIth Finance Commission** has recommended a Multi-Dimensional Restructuring of Government Finances aimed at both the qualitative and quantitative aspects of managing government finances. The proposed restructuring covers the following areas :-
 - **Taxation Reforms** aimed at building up non-distortionary and revenue elastic system of taxation with tax rates that are low, limited in number of rate categories and are stable.
 - **Non-Tax Revenues** where user charges as a short term objective, ensure recoveries of current costs and aiming at full recovery of full costs in the long run.
 - **Expenditure Restructuring** relating to both its size and sectoral allocations, aimed at removing inefficiencies arising from mis-allocations, designing and implementation of schemes and delivery of services.
 - **Rationalizing Subsidies** by reducing their overall volume, increasing their transparency by making them explicit and improving their targeting.
 - **Fiscal Transfer System** where equalizing transfers are given much greater weight and extended to Local Bodies.
 - **Strengthening the role of Local Bodies** to become a more effective instrument in the delivery of local public goods.
 - Suggesting institutional frameworks including ceiling on Debt and Deficits and the mechanism for their monitoring through State level fiscal responsibility legislation.

➤ **Recommendations of the 15th Finance Commission:**

- A threshold should be fixed for annual allocation to **CSS** below which the funding for a CSS should

be stopped (to phase out CSS which outlived its utility or has insignificant outlay). Third-party evaluation of all CSS should be completed within a stipulated timeframe. Funding pattern should be fixed upfront in a transparent manner and be kept stable.

- States should amend their fiscal responsibility legislation to ensure consistency with the centre's legislation, in particular, with the definition of debt. States should have more avenues for short-term borrowings other than the ways and means advances, and overdraft facility from the **Reserve Bank of India**. States may form an independent debt management cell to manage their borrowing programmes efficiently.

➤ **Rationalizing Revenue Deficits:**

- It is held that in no case the State should resort to borrowings for meeting the Revenue Expenditure. In no case the Capital Receipts are to be deployed for meeting the Revenue Expenditure of the State Government. This is a sound and time honoured principle of Public Finance. But **fiscal deficit** may increase for meeting the requirements of increasing investment in the State.

➤ **Harnessing Royalty Rates on Minerals:**

- The State Government does not have the power to raise rates of Royalty on Minerals because such a power vests with the Central Government but it has not been revising the rates as required. It is recommended that since Royalty from Minerals can be an important source of Revenue of the State which is minerally rich, the rates of royalty should be revised at regular intervals and levied on **ad valorem** basis.

Conclusion

Improving the finances of state governments requires a multi-faceted approach encompassing enhanced revenue mobilization, prudent fiscal management, and efficient utilization of resources. State governments must focus on boosting economic growth, reducing non-essential expenditures, and exploring innovative financing mechanisms. Additionally, greater coordination between the central and state governments, along with regular monitoring and evaluation of fiscal policies, is crucial. By adopting these strategies, state governments can strengthen their financial position and better serve the needs of their citizens.



Fixing India's Food Systems

This editorial is based on "[Food for Reform](#)" which was published in Indian Express on 15/04/2024. The article highlights the importance of future governments prioritizing the enhancement of agricultural productivity, expansion of processing and retailing operations, and the promotion of new technology adoption.

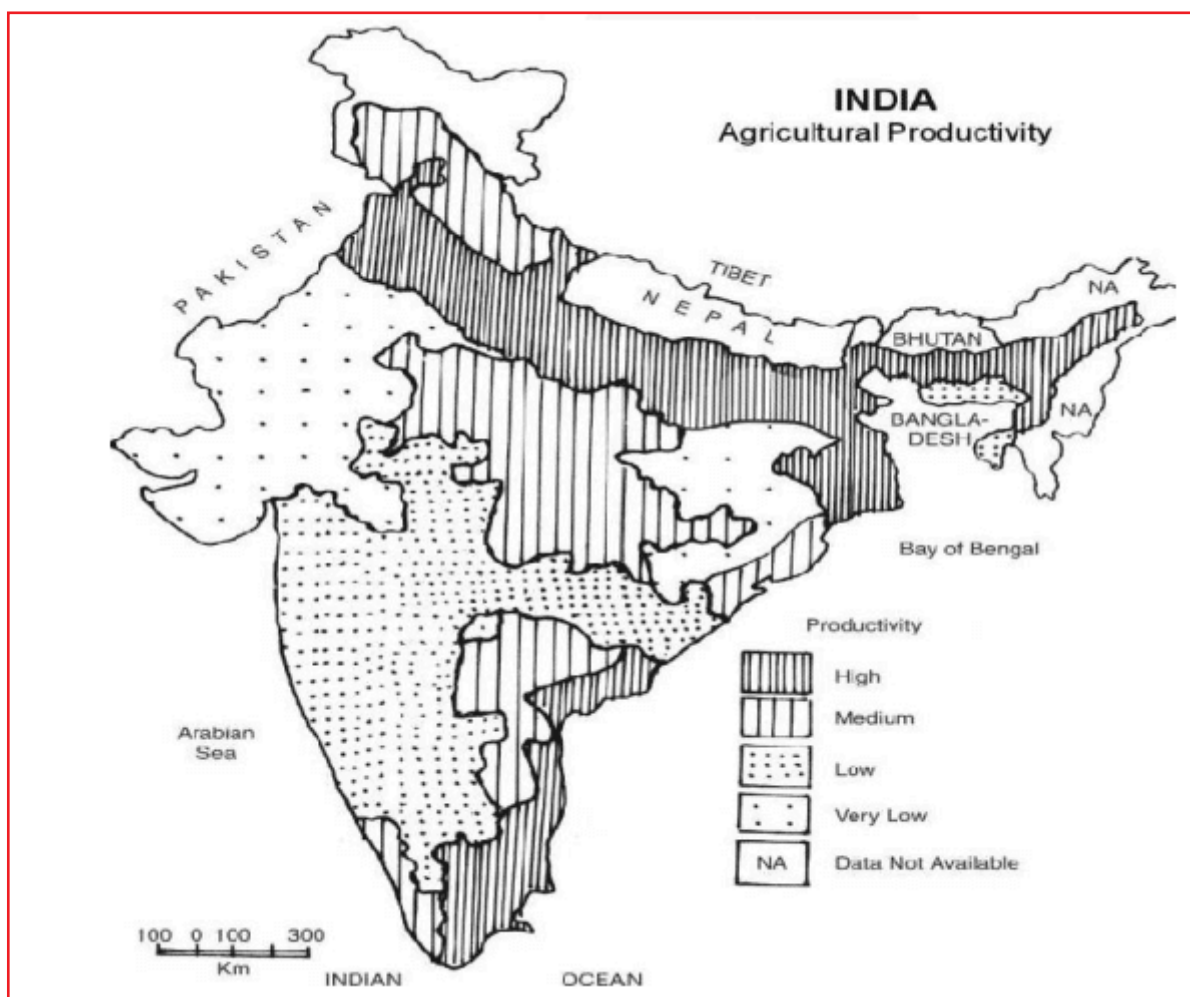
Tag: GS Paper-3, E-Technology in the Aid of Farmers, Agricultural Marketing.

India is one of the largest growing economies in the world. Agriculture is the primary occupation of nearly half the population of the country. Over the past few decades, the [manufacturing and services sectors](#) have increasingly contributed to the growth of the economy, while the agriculture sector's contribution has decreased. The unprecedented agrarian crisis in India has now been

affecting farmers across the country for nearly a decade.

Agriculture and allied sectors are central to the Indian economy. Keeping this and a sustainable future in mind, the Indian government, quite rightly, promoted technology-enabled sustainable farming, including natural, regenerative and organic systems, during its [G20](#) presidency. The government has been taking various measures to address the problems faced by the farmers, such as low productivity, high input costs, market fluctuations, climate change, indebtedness, and lack of institutional support.

Keeping pace with the same, the incumbent government has asked various ministries to prepare plans that they would like to announce in the first 100 days of their third term. The ministries are contacting various experts to help them frame the right policy framework that is in sync with the vision of Viksit Bharat@2047.



What are the Different Challenges in Ensuring Adequate Agri-Food Systems in India?

➤ Overexploitation of Water Resources:

- With the marginal cost of using water being close to zero, farmers started growing water-intensive crops in low-rainfall areas and adopted water-based practices and off-season cultivation. Though half of the agricultural area is rainfed and without access to irrigation, the sector uses close to 90% of the total water used in the country.

- It is evident from the **emergence of monoculture of paddy** in traditionally groundnut and cotton growing areas in Punjab, Haryana and Rajasthan; expansion of sugarcane in Maharashtra and Uttar Pradesh; groundnut cultivation in peak summer time in Rajasthan and many such cases.
- Thus, a new geography of crops appeared in complete violation of agro-climatic suitability of various agro-climatic zones in the country.
- **Disregard for Nature and Loss of Crop Diversity:**
 - Actual crop pattern and acreage allocated to various crops are at significant variance with what is suitable from the agro-climatic point of view. The deviation is mainly caused by policy support and disparities in advancement in technology for various crops.
 - Technological and policy bias in favour of **Green Revolution** technology and a few crops not only caused distortions in crop pattern, it also resulted in increased concentration of area under some crops and a sharp decline in crop diversity.
 - In the early 1970s, paddy cultivation was undertaken on 10.8% of the net sown area in Punjab and 8% in Haryana in 2020s. This share has increased to 73.3% in Punjab and 39.5% in Haryana. Similarly, area under sugarcane cultivation quadrupled in Maharashtra and doubled in Uttar Pradesh after the onset of the Green Revolution.
- **Low Efficiency and Price Led Growth:**
 - India's growth in agriculture sector, though impressive in most products and states, has remained lower than the potential.
 - Our productivity levels are lower than major agricultural countries. The sector is witnessing slow modernisation.
 - The much needed changes in technology, method of production and post-harvest value addition are not visible on a large scale.
 - Agricultural practices involving prolific use of inputs like broadcasting of fertilizer and flood irrigation are not showing any significant improvement.
- **Imbalances and Regional Disparities:**
 - Imbalances between demand and domestic production have been growing over the years. India has been accumulating a large surplus of rice, wheat and sugar, and this involves a huge cost to the state exchequer.
- The underlying reason for this is the rise in output price by the centre and payment of bonus for rice, and rise in **fair and remunerative price (FRP)** for sugarcane by some states ignoring the **Commission for Agricultural Costs and Prices (CACP)** recommendations and, for that matter, demand and supply or market situations.
- On the other hand, India's deficit in edible oil is rising year after year. The country meets 55% of its domestic requirement of vegetable oils by importing them.
- There is, thus, a scope in domestic market to absorb 127% increase in domestic oilseed production.
- **Wasteful Investment:**
 - Investment in major, medium and micro irrigation constitutes a major share of public investment in agriculture. These investments were meant to increase area under surface water irrigation.
 - The country spent more than Rs. 30,000 crore each year after 2007-08 as **capital expenditure** and also a huge amount as operation and maintenance of canals, but area under canal irrigation is showing either stagnation or decline.
 - Several major irrigation projects even after incurring most of the expenditure are held up by minor obstacles like forest clearance in small pockets, catchment area development, construction of distributaries and field channels. Interstate and intra state disputes are another factor for delay in completion of some major irrigation works.
- **Technology Generation and Dissemination:**
 - Agricultural problems are becoming more complex, and research is turning more capital intensive. Climate change, share of agriculture in greenhouse emissions and sustainability concerns add to the challenges to be addressed by the research and development (R&D) system.
 - Scope for spillover from research in the developed world is shrinking, and **intellectual property right (IPR)** issues are complicating and making it costly for transfer of technology from the outside world and the private sector.
 - Though agricultural research and higher education is largely a responsibility of State Agriculture Universities (SAUs), the **ICAR** is required to respond to any challenges and issues concerning the agriculture sector. Public opinion at large holds ICAR responsible for any adverse development in the agriculture sector. As a result, the portfolio of ICAR has been getting bigger and bigger over SAUs with time.

➤ **Viability of Smallholders:**

- Agriculture in India and most of Asian countries is dominated by small land holdings. According to Agricultural Census for year 2015-16, 68% farm holdings operate on less than 1 hectare land area. Further, 85% of farm households undertake farming on less than 2 hectares.
- This size of land holding does not generate adequate income with the usual agricultural practices and products. Small holders also face the problem of scale economy in input as well as output markets that require different type of institutional help.

➤ **Nutrition, Food Safety and Health:**

- India's nutrition indicators and child health indicators are low. According to the **Food and Agriculture Organisation (FAO)** of the **United Nations**, the largest number of people who are hungry or undernourished live in India.
- According to the **Global Hunger Index**, India ranks low year after year on the hunger indices, even though the country has become the largest rice exporting country with about 15% of its rice production sold in overseas market. India represents a paradoxical situation of 'hunger in the midst of plenty'.

➤ **Mismatch between Structural Changes in Output and Workforce:**

- As an economy develops, the share of agriculture in national **gross value added (GVA)**, a measure of national income, and employment would experience a decline. Higher the growth of the economy, faster is the transformation in the structure of economy.
- In India, between 1950-51 and 1970-71, the share of agriculture in national income at 2011-12 prices declined from 61.7% to 49.6%, whereas the sector's share in employment remained stuck at more than 69%. In the next two decades, the sector's share in employment declined to 59% and income to 35.1%.
- After 1990-91, growth rate of economy accelerated which also resulted in faster decline in the share of agriculture. However, the decline in the share of agriculture in work force did not keep pace with the decline in the sector's share in national income. In 2010-11, agriculture had a share of 18.3% and 54.6%, respectively, in national income and employment.

➤ **Low Income of Farmers:**

- Disproportionate share of agriculture in national income and employment implies disparity in per

worker income in agriculture and non-agriculture sector. At the macro level, income per worker in non-agriculture is 3.75 times the income of an average agriculture worker which includes agricultural labourers and cultivators.

- The small and shrinking land size, excess workforce, low productivity and poorly working markets are the main causes for low per farmer income in the country.

What Steps Need to be Taken to Improve Agricultural Productivity?

There are some of suggestions for the agri-food space. They are based on interactions with experts during the four-day forum organised by the **Asian Development Bank** on food security in the wake of climate change.

➤ **Raising Total Factor Productivity:**

- Agriculture has to produce not only more food, fibre and even fuel (**biofuels**), but it has to do so with fewer resources. India's population is likely to go to about 1.6 billion by 2047.
- So, there are more mouths to feed. With gradually rising incomes, people will demand more and better food.
- Efficiency in the use of land, water, labour, and inputs like fertilisers and farm machinery is going to be critical. In other words, we must aim to raise our total factor productivity.
- This can be done by putting in more resources in agri-R&D, innovations and extension.

➤ **Creating Climate Resilient Agriculture:**

- The production system is being threatened by extreme weather events triggered by **global warming**. The real solution lies in investing resources to create climate-resilient (smart) agriculture.
- This would mean more investments in seeds that are heat and flood-resistant, and more investment in water resources not just in augmenting their supplies but also ensuring water is being used more wisely.
- **"More crop per drop"** should not be just a slogan but a reality. Drips, sprinklers, and protected cultivation as part of precision agriculture will have to be adopted at a much larger scale than today.

➤ **Building Efficient Value Chains:**

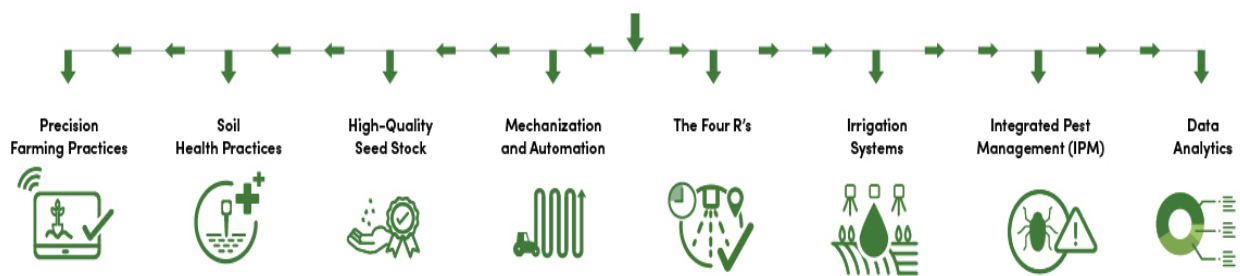
- By 2047, **more than two-thirds of India will be living in urban areas** — up from about 36% today. Migration from rural to urban areas in search of higher productivity jobs is a natural process that cannot, and should not, be wished away.

- The implication of this is that much of the food will have to be moved from the hinterlands to urban areas.
- This would require a massive logistics revolution, from transporting to stocking to processing and organised retailing.
- This would open doors for large-scale investments, primarily by the private sector. The new government will have to facilitate this transformation by changing laws that are suitable for Bharat@2047.

➤ **Promoting Farmer Producer Organisations (FPOs) or Cooperatives:**

- In this food systems transformation, while all players from the seed industry to farm machinery to processing and retailing are scaling up, farming is still fragmenting into smaller and smaller holdings.
- The challenge is to ensure that these smallholders are brought together, through **Farmer Producer Organisations (FPOs)** or **cooperatives** (as was done in the milk sector, a la AMUL), to create a scale that is demanded by processors, organised retailers, and exporters.
- This institutional innovation is the key to inclusive Bharat.

HOW TO IMPROVE AGRICULTURAL PRODUCTIVITY



➤ **Moving Beyond Simple Food Security to Nutritional Security:**

- On the consumption front, there is need to move beyond simple food security to nutritional security. The malnutrition numbers, especially for children below the age of 5, are worrying and stunting today stands at 35%.
 - For this to improve, besides sanitation, women's education and immunisation, there is also need to fortify our staples with micro-nutrients.
- The government has made a beginning with zinc-rich rice and wheat, but is shying away from golden rice with **beta carotene (Vitamin A rich)**, when Australia, New Zealand, Canada, and the US have declared it safe, and even Bangladesh and Philippines have allowed its trials.
 - Rice is our first crop, and most of those children who are malnourished today consume a lot of rice. This needs to be fortified with high nutrition.

➤ **Need For Public Private Partnership:**

- Public-private partnerships are the way to go. The private sector can build efficient value chains and also produce seeds that are climate-resilient and more nutritious.

- The government has to provide a conducive policy framework. When the government can devise **PLI-type schemes** for industry, it should also be done for food systems transformation for tomorrow.

➤ **Shift from Growth to Efficient-Growth:**

- This requires upgradation of agricultural technology, application of modern skills in farm practices, new innovation in farming, and lowering wastages in use of fertilizer, water and other inputs.
 - This will also require change in input pricing policy to discourage prolific and indiscriminate use of inputs like water and fertiliser, and promote their optimum use.
- Digital technology can also play a significant role in improving efficiency through easy dissemination of technology and knowledge to farmers.

➤ **Surplus Management:**

- Domestic absorption of food has grown at a lower rate than domestic production. In the early 1980s, India produced and consumed a little more than 1 kg food per person per day. The production has gradually increased to 1.73 kg in recent years, whereas domestic absorption increased to 1.59 kg. This shows that food surplus has been continuously increasing for the last 35 years.

- This requires a complete shift in food policy from shortage management to surplus management. This also indicates that much of the under nutrition in India is not due to non-availability of food, but it is due to low food intake. India has to look for overseas market to dispose the surplus food produce.

How Does Technology Contribute to Improving Food Systems and Agricultural Productivity?

➤ Enhancing Productivity:

- **Precision Farming:** Utilizing **GPS**, sensors, and drones to optimize planting, watering, and fertilizing processes, leading to higher yields and reduced resource wastage.
- **Mechanization:** Introduction of machinery such as tractors, harvesters, and planters, reducing manual labor and increasing efficiency in farm operations.
- **Biotechnology:** Development of **genetically modified crops** with enhanced resistance to pests, diseases, and environmental stresses, improving yield and quality.

➤ Improving Resource Management:

- **Water Management:** Implementing technology for efficient irrigation systems like **drip and sprinkler irrigation**, conserving water and improving crop yield.
- **Soil Health Monitoring:** Using sensors and imaging technology to assess soil health and nutrient levels, enabling targeted fertilization and soil conservation practices.
- **Weather Forecasting:** Accessing real-time weather data for better planning and management of farming activities, reducing risks from weather-related disasters.

➤ Facilitating Market Access:

- **Digital Platforms:** Utilizing online marketplaces and mobile applications for farmers to access markets, negotiate prices, and sell produce directly to consumers, eliminating middlemen and increasing profits such as **e-NAM portal**.
- **Supply Chain Management:** Implementing technology for tracking and monitoring produce from farm to market, ensuring quality control and reducing wastage.

➤ Promoting Sustainability:

- **Empowering Smallholder Farmers:** Technology has the potential to empower smallholder farmers by providing access to information, markets, and financial services.
 - Mobile applications and digital platforms offer valuable agronomic advice, market prices, and weather forecasts, enabling farmers to make informed decisions and improve their livelihoods.
- **Renewable Energy:** Using solar panels and bioenergy sources to power farms, reducing reliance on fossil fuels and mitigating carbon emissions.
- **Data-driven Decision Making:** Analyzing data from sensors, satellites, and drones to make informed decisions on crop management, leading to more **sustainable farming** practices.
 - For instance, predictive analytics can help farmers anticipate pest outbreaks or identify optimal planting times, enabling proactive management strategies and minimizing risks.

Conclusion

A significant and sustained increase in farmers' income and the transformation of agriculture require a paradigm shift in the entire approach towards agriculture sector.

Changes in archaic regulations and liberalisation of the sector are a must for creating an enabling environment for a modern and vibrant agriculture. Advancement in science led technology, an enhanced role of private sector in both pre and postharvest phases, liberalised output market, active land lease market and emphasis on efficiency will equip agriculture to address the challenges of 21st century and contribute towards the goal of a new India.



India's Arctic Expedition

This editorial is based on "**India's Arctic Imperative**" which was published in *The Hindu* on 16/04/2024. The article discusses various research stations in the Arctic and emphasises that if the Indian government is interested in benefiting from seabed mining and resource exploitation in the region, it should strongly support sustainable extraction practices.

Tag: GS Paper-3, Environmental Pollution & Degradation, Conservation

In December 2023, when four Indian climate scientists arrived in Oslo to begin acclimatisation for India's maiden winter expedition at the **Arctic**, they had little idea of what lay ahead. Himadri, India's research station in the International Arctic Research Base at Svalbard in Norway, had until then hosted missions only in the summer. A winter expedition entails living in the intense cold (as low as -15 degrees Celsius) after a period of rigorous acclimatisation. More concerning for Indian researchers was the daunting prospect of polar nights. It has now become necessary for India to tide over these challenges to sustainably harness the potential of Arctic region.

Note:

Arctic Region:

Location and Geography:

- The Arctic region is located at the northernmost part of Earth, centered around the North Pole.
- It includes the Arctic Ocean and parts of several countries, including Canada, Russia, the United States, Norway, and Greenland.
- The region experiences extreme cold temperatures, with ice covering much of the area, especially in the winter.

Climate and Environment:

- The Arctic is characterized by its cold climate, with temperatures often dropping below freezing.
- The region is covered by ice, including sea ice and ice caps, which play a crucial role in regulating the Earth's climate by reflecting sunlight.
- The Arctic is home to a unique ecosystem, including polar bears, seals, whales, and various species of birds.

What is the Significance of the Arctic Region?

➤ Economic Significance:

- Arctic region has rich deposits of coal, gypsum and diamonds and also substantial reserves of zinc, lead, placer gold and quartz.
 - **Greenland** alone possesses about a quarter of the world's rare earth reserves.
 - The Arctic also contains a wealth of unexplored hydrocarbon resources amounting to 30% of the world's undiscovered natural gas.
- India is the **3rd largest energy-consuming country** in the world, the 3rd-largest **oil importer**. Increasing ice-melt makes these resources more accessible and feasible for extraction.



- The Arctic can therefore potentially address **India's energy security** needs and deficiency of strategic and rare earth minerals.

➤ Geographical Significance:

- The Arctic helps circulate the world's **ocean currents**, moving cold and warm water around the globe.
- Also, Arctic sea ice acts as a huge white reflector at the top of the planet, bouncing some of the sun's rays back into space, helping keep the Earth at an even temperature.

➤ Geopolitical Significance:

- The melting Arctic ice is also raising geopolitical temperatures to levels not seen since the Cold War. China referred to trans-Arctic shipping routes as the **Polar Silk Road**, identifying it as a third transportation corridor for the **Belt and Road Initiative (BRI)**, and is the only country, apart from Russia, to be constructing **nuclear ice-breakers**.
- As a result, it is crucial to counter China's soft power maneuvers in the Arctic, in line India is also taking a keen interest in the Arctic states through its **Arctic policy**.

➤ Environmental Significance:

- The Arctic and the **Himalayas**, though geographically distant, are interconnected and share similar concerns. The Arctic meltdown is helping the scientific community to better understand the glacial melt in the Himalayas, which has often been referred to as the 'third pole' and has the largest freshwater reserves after the North and South poles.

- Therefore, the study of the Arctic is critical to Indian scientists. In line, India launched its first scientific expedition to the Arctic Ocean in 2007 and opened the **Himadri research base** in the Svalbard archipelago (Norway), and has been actively engaging in research there ever since.

What are the Reasons Behind India's Growing Interest in the Arctic Region?

➤ **Climatic Occurrences Similar to the Arctic Sea Region:**

- For over a decade, India's **National Centre for Polar and Ocean Research** saw no reason for a winter mission to the Arctic. What changed Indian policy, ostensibly, was scientific data showing that the Arctic was warming faster than previously thought. When facts tying catastrophic climatic occurrences in India to the melting of Arctic Sea ice emerged, decision-makers felt compelled to act.

➤ **Prospecting Trade Routes:**

- India is seized of the opening up of Arctic Sea routes, primarily the **Northern Sea** Route, and would like to route Indian trade through the region. This might help India reduce costs for shipping companies along with time, fuel, and security costs for transmitting goods.

➤ **Emerging Geopolitical Threats:**

- China's growing investments in the Arctic have raised concern in India. Russia's decision to grant China expanded access to the Northern Sea Route has deepened this anxiety.
- India's increasing focus on the Arctic comes at a time of heightened tensions in the region, fuelled by the **Russia-Ukraine conflict** and exacerbated by the suspension of various regional cooperative forums.

- There are concerns about the potential repercussions of these tensions, especially given Russia's growing reliance on its nuclear deterrent on the Kola Peninsula. For India, which aims to maintain constructive relations with both western nations and Russia, these developments carry significant strategic implications.

➤ **Consequences for the Himalayas and Indian Monsoon:**

- India is no newcomer to the Arctic. Its involvement in the region goes back to 1920, with the signing of the Svalbard Treaty in Paris. In 2007, India undertook its first research mission to investigate Arctic microbiology, atmospheric sciences, and geology.

- A year later, India became the only developing country, aside from China, to establish an Arctic research base. After being granted 'observer' status by the Arctic Council in 2013, India commissioned a multi-sensor moored observatory in Svalbard in 2014 and an atmospheric laboratory in 2016.

- The work at these stations focuses on examining Arctic ice systems and glaciers and the consequences of Arctic melt on the Himalayas and the Indian monsoon.

What are the Different Challenges Facing the Arctic Region?

➤ **Policy Divide in India:**

- The issue of Indian engagement in the Arctic divides the country's academic and policy communities. Opinions are split over the potential impacts of the changing climate in the Arctic on India's economy. The concern primarily stems from mining in the region for fossil fuels, an area where India has yet to articulate a clear economic strategy.

- The proponents of economic exploitation in the Arctic advocate a pragmatic approach in the region, especially around oil and gas exploration, and mining and the skeptics warn about the potential environmental consequences.

➤ **Arctic Amplification:**

- In recent decades, the warming in the Arctic has been much faster than in the rest of the world. The **permafrost** in the Arctic is thawing and in turn releasing carbon and methane which are among the major **greenhouse gases** responsible for **global warming** amplifying the melting of ice, thereby driving the arctic amplification.

➤ **Rising Sea Level Concern:**

- Melting Arctic ice adds to rising sea levels, which in turn increases **coastal erosion** and elevates storm surge as warming air and ocean temperatures create more frequent and intense coastal storms like it can significantly impact India which has a 7,516.6 km of coastline and important port cities.

- According to the **World Meteorological Organisation's** report, '**State of Global Climate in 2021**', sea level along the Indian coast is rising faster than the global average rate.

➤ **Emerging Race Course:**

- The opening of the shipping routes and possibilities in the arctic is giving thrust to the race of resource

extraction leading to the geopolitical poles: US, China and Russia, jockeying for position and influence in this region.

➤ **Threat to Biodiversity:**

- The absence of year-long ice and higher temperatures are making the survival of Arctic animal life, plants and birds difficult. **Polar bears** need sea ice to hunt seals as well as to move across the large home ranges.
- Due to shrinking ice, life of polar bears along with other Arctic species are under threat. Also, warming seas have triggered a poleward shift in fish species reshuffling the **food web**.
 - Tundra is returning to swampy state because sudden storms are ravaging coastlines especially interior Canada and Russia, and **wildfires** are damaging permafrost in tundra areas.

What are the Different Steps to be taken with respect to the Arctic Region?

➤ **Collaboration With Norway:**

- Norway, the present chair of the Arctic Council, has close ties with India. Since the late 1980s, the two countries have collaborated to investigate changing conditions in the Arctic and Antarctic, as well as their impact on South Asia.
- As climate change ends up more deeply affecting the Arctic and the South Asian monsoon, these efforts need to be accelerated over time to address both the Himalayan and Arctic region challenges.

➤ **Alignment With Arctic Countries:**

- India's present policy is to cooperate with Arctic countries in **green energy**, and green and clean industries, as a way of bolstering its 'responsible stakeholder' credentials. With Denmark and Finland, for instance, Indian collaboration has come in areas such as **waste management**, pollution control, **renewable energy**, and green technology.

➤ **Following Sustainable Mode of Resource Extraction:**

- While the Indian government seems keen to benefit from **seabed mining** and resource exploitation in the Arctic, it ought to unequivocally back a sustainable mode of extraction.
 - It is believed that a partnership with Norway could be transformational for India as it would enable greater Indian participation in the Arctic Council's working groups, tackling issues such as the blue economy, connectivity, maritime transportation, investment and infrastructure, and responsible resource development.

➤ **Aligning India's Arctic Policy with the Arctic Council's Objectives:**

- A partnership with Nordic Countries is likely to be focused on scientific research and climate and environmental protection. These are two of the six pillars that comprise India's Arctic Policy (the other four being economic and human development; transportation and connectivity; governance and international cooperation; and national capacity building).
 - India would perhaps still look to explore economic opportunities in the Arctic. Arctic Council could, then, help India design a sustainable policy that accommodates the needs of both the scientific community and industry.

➤ **Devising a Nodal Body:**

- Presently, the **National Centre for Polar and Ocean Research (NCPOR)** deals with polar and Southern Ocean realms which includes the Arctic. The Ministry of External Affairs provides the external interface to the Arctic Council.
 - There is a need to devise a single nodal body to explicitly deal with Arctic Research and Development and coordinate all the activities of the Government of India relating to the Arctic

➤ **Moving Beyond Scientific Approach:**

- India needs to go beyond the purely scientific approach in the Arctic. In keeping with its growing stature and consequent say in world affairs, it should be well positioned to understand the dynamics of the Arctic demography and governance, and become the voice of arctic tribes and raising their issues in global forums.

➤ **Adopting a Global Ocean Treaty:**

- It is important to place **global ocean governance** under scrutiny and make progress towards a collaborative global ocean treaty with special attention to polar regions and associated sea level rise challenges.

Conclusion

The Arctic region is a unique and fragile ecosystem that plays a crucial role in regulating the Earth's climate. However, it is facing unprecedented environmental changes due to climate change, including rapid ice melt and rising temperatures. These changes have significant implications for the region's wildlife, indigenous communities, and global climate patterns.

International cooperation and sustainable practices are essential for preserving the Arctic's delicate environment and ensuring its long-term viability.



Upholding Rights of Consumers With Disabilities

This editorial is based on “*Navigating life as a consumer with disability*” which was published in *The Hindu* on 17/04/2024. The article highlights the need for a robust legal framework and cooperation between businesses and the government. This collaboration is essential for safeguarding the rights of consumers with disabilities, ensuring they have equal opportunities in the marketplace and society.

Tag: GS Paper-2, Government Policies & Interventions, Transparency & Accountability, Issues Relating to Development, Issues Related to Disability.

Every year, March 15 marks the observance of **World Consumer Rights Day**, aimed at raising awareness about the rights and responsibilities of consumers globally. However, amidst the celebrations and discussions surrounding consumer rights, there is often a group of consumers who remain overlooked: those with **disabilities**. Despite their significant presence within the consumer demographic, consumers with disabilities frequently find themselves marginalized in both the discourse and the practical implementation of consumer rights initiatives. This invisibility underscores the need for greater attention and inclusivity in addressing the specific challenges and barriers faced by consumers with disabilities in the marketplace.

Every single day, persons with disabilities face this struggle of seeking help for the most basic human activities, and the consequent loss of dignity, independence, and **privacy**. The pervasive inaccessibility that they encounter as consumers not only undermines their right to lead an independent life but also prevents them from equally participating in society as others.

What are the Different Aspects Related to Consumers With Disabilities (CwDs)?

➤ Demographic and Statistical Overview:

- According to the **World Health Organization (WHO)**, over 1 billion people, or 15% of the global population, live with some form of disability. In India, the 2011 Census recorded 26.8 million persons with disabilities, accounting for 2.21% of the total population.

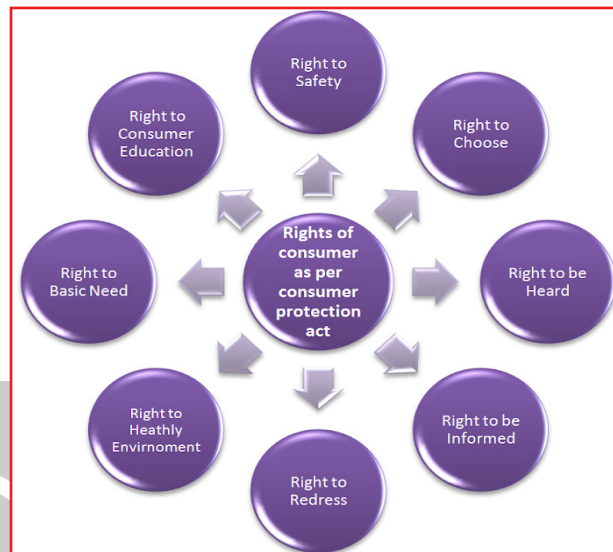
➤ Rights of Consumers with Disabilities:

○ Equal Treatment:

- Consumers with disabilities have the right to equal treatment in the marketplace. This includes access to goods, services, and facilities on an equal basis with others, without discrimination based on their disability.

○ Non-Discrimination:

- Businesses are prohibited from discriminating against consumers with disabilities in the provision of goods, services, and employment opportunities. This includes refusing service, providing inferior service, or charging higher prices based on disability.



○ Accessibility:

- Consumers with disabilities have the right to accessible products, services, and public spaces. This includes physical accessibility (such as ramps and elevators), communication accessibility (such as sign language interpreters or accessible websites), and information accessibility (such as accessible formats of documents).

○ Accommodation:

- Businesses are required to make reasonable accommodations to ensure that consumers with disabilities can access their goods and services. This may include modifying policies, practices, or procedures to accommodate the needs of individuals with disabilities.

○ Privacy:

- Consumers with disabilities have the right to privacy and confidentiality in their interactions with businesses. Personal information related to their disability should be treated with sensitivity and protected from unauthorized disclosure.

➤ International Legal Frameworks:

○ United Nations Convention on the Rights of Persons with Disabilities (UNCRPD):

- Adopted in 2006, the **UNCRPD** is a comprehensive international treaty that

promotes the rights and dignity of persons with disabilities. It ensures the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities.

○ **Standard Rules on the Equalization of Opportunities for Persons with Disabilities:**

- Adopted by the **United Nations General Assembly** in 1993, these rules provide a framework for countries to ensure the rights and inclusion of persons with disabilities. The rules cover areas like accessibility, education, employment, social security, and rehabilitation.

➤ **National Legal Frameworks - The Case of India:**

- Rights of Persons with Disabilities Act, 2016:
 - This is the primary law in India that safeguards the rights and entitlements of persons with disabilities. It defines 21 types of disabilities and mandates accessibility standards for built environments, transportation, information, and communication. **The Act** also provides for reservation in higher education and government employment, as well as social security measures.
- **Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995:**
 - This was the previous disability law in India, which was later replaced by the Rights of Persons with Disabilities Act, 2016. It recognized 7 types of disabilities and focused on prevention, rehabilitation, and creating a barrier-free environment.

➤ **Other Relevant Laws:**

- **The Rehabilitation Council of India Act, 1992** - Regulates and monitors the training of rehabilitation professionals.
- **The Mental Healthcare Act, 2017** - Protects the rights and dignity of persons with mental illness.
- **The National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999** - Provides for the welfare and empowerment of persons with specified disabilities.

➤ **Policies and Schemes:**

- **Accessible India Campaign (Sugamya Bharat Abhiyan)** - Aims to enhance accessibility in the built environment, transportation, and information & communication.
- **Unique Disability ID (UDID) Project** - Creates a national database for persons with disabilities to enable better delivery of government benefits and services.

What are the Different Challenges Faced by Consumers with Disabilities (CwDs)?

➤ **Physical and Accessibility Barriers:**

- Inaccessible built environments, such as lack of ramps, elevators, and wide doorways, restricting their mobility and independent access to physical spaces.
- Inadequate accessible transportation options, hampering their ability to commute and access goods and services. Lack of assistive technologies and adaptive devices to aid their daily living and consumer activities.
 - The global market for assistive technologies is estimated to reach USD 26 billion by 2024, indicating the significant economic potential of this consumer segment.

➤ **Informational and Communication Barriers:**

- Unavailability of information in alternative formats (e.g., Braille, audio, sign language) for CwDs with visual, hearing, or cognitive impairments. Websites and digital platforms that are not compliant with web accessibility standards, making them difficult to navigate and use.
- Lack of clear and simple communication from businesses, making it challenging for CwDs to understand product information and make informed choices. 98% of U.S.-based webpages are not accessible to the disability community from a legal perspective, according to the 2020 Web Accessibility Annual Report.

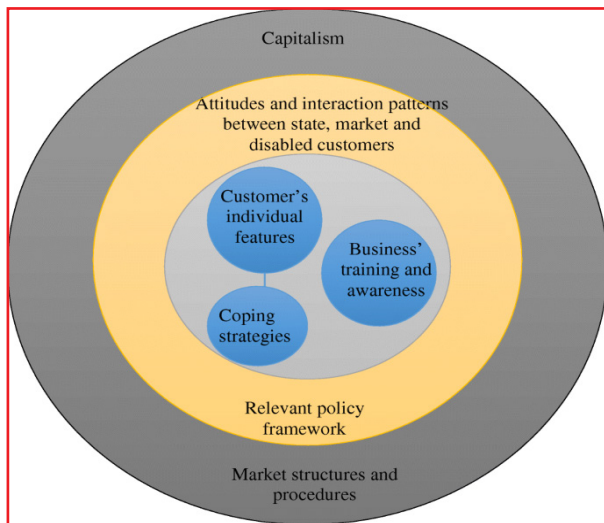
➤ **Attitudinal and Sociocultural Barriers:**

- Societal stigma, discrimination, and lack of awareness about the diverse needs and capabilities of CwDs. Exclusion from mainstream consumer experiences and limited consideration of CwDs' preferences and requirements in product and service design. Misconceptions about the purchasing power and market potential of CwDs, leading to their marginalization.
- According to a survey by the National Centre for Promotion of Employment for Disabled People in India, around 73% of persons with disabilities faced barriers in accessing public spaces and facilities.

➤ **Economic and Financial Barriers:**

- Higher costs of living for CwDs due to the need for specialized assistive devices, healthcare, and personal support services. Limited access to adequate financial resources, employment opportunities, and social security measures, constraining their consumer purchasing power.

- The global market for hearing aids is projected to grow from USD 7.2 billion in 2020 to USD 10 billion by 2027, driven by the increasing demand from consumers with hearing disabilities.



➤ Policy and Regulatory Barriers:

- Ineffective implementation and enforcement of accessibility standards and non-discrimination laws for CwDs as consumers. Insufficient incentives and support mechanisms for businesses to invest in inclusive design and accessibility features. Fragmented and uncoordinated efforts across different government agencies and stakeholders in addressing the multifaceted challenges faced by CwDs.
- In developing countries, 80% to 90% of persons with disabilities of working age are unemployed, whereas in industrialized countries the figure is between 50% and 70%.

Note:

Real Life Examples of Challenges Faced by CwDs:

- Imagine oneself in the place of a person with visual impairment heading to the supermarket to buy a toaster:
 - One starts by booking a cab ride through a mobile app, but since the app is not accessible, you seek external help to book the ride.
 - At the supermarket, there are no tactile pavements in the building, so one seeks external help to reach the electronic appliance section and buy a toaster.
 - When the person reaches home, s/he realizes the toaster is defective and try to contact the customer support of the toaster company.
 - But since the contact details are printed on the outer pack, one seeks external help to read them.

- Discovering that the company only accepts written complaints via postal mail, once again the person seeks external help to send a complaint to the company.

What are the Various Ways to Alleviate the Conditions of CwDs?

➤ Businesses as the Starting Point:

- Businesses could be a starting point. Businesses generally don't perceive persons with disabilities as their target consumers. This is evidenced by their inaccessible offerings, which are typically designed for 'mainstream' consumers. In India, persons with disabilities account for 5-8% of the population (**World Bank, 2009**). Therefore, if not out of generosity, businesses could consider making their offerings accessible just to broaden their customer reach.

➤ Bridging Gap in Sensitization Among Businesses:

- The gap in sensitisation among businesses can be abridged through effective policy measures. For example, **FSSAI** in October 2023 issued an advisory to all food business operators for incorporating **QR codes** containing product information on all food products. This simple yet effective step will allow people with visual impairment to ascertain crucial product information on their own.

➤ Active Support from the Government:

- Another entity capable of making a difference is the government. The government could consider bringing comprehensive accessibility guidelines for all goods and services. India can build on the lessons from the initiatives in countries such as Australia, the U.S., and Canada and integrate similar strategies into its policies.

➤ Empowering Disability Commissions:

- Legal reforms Persons with disabilities are also empowered by laws that safeguard their rights and interests as consumers. The primary legislation in this regard is the Rights of Persons with Disabilities Act (RPWDA), 2016.
- In particular, the Act includes provisions for universally designed consumer goods and accessible services (Sections 43 and 46). The Rules notified under the RPWDA also require all **Information and Communications Technology (ICT)** goods and services to be accessible in accordance with the **BIS standards**.
- In case of a violation of these rights, a consumer with disability can file a complaint with the Disability Commissions established under the Act.

However, Disability Commissions only issue recommendatory directions. So, they frequently do not offer adequate remedies, highlighting the need for the commission to be empowered to enforce punitive measures.

➤ **Aligning Consumer Protection Act, 2019 with RPWDA:**

- Another avenue is the **Consumer Protection Act (CPA), 2019** which not only details various consumer rights but also empowers Consumer Commissions to impose penalties and award compensation against consumer complaints. Consumers with disabilities have successfully obtained such remedies in numerous cases brought before Consumer Commissions.
 - For example, in **S. Suresh v. The Manager i/c, Gokulam Cinemas**, a person with locomotor disability who encountered inaccessibility at a cinema hall was awarded a compensation of ₹1,00,000.
- Unlike the RPWDA, the CPA has strong enforcement and compliance mechanisms. However, it lacks any dedicated rights for consumers with disabilities contrary to the RPWDA, which may deter them from filing complaints with Consumer Commissions. Hence, it becomes imperative to align the CPA with the RPWDA.

➤ **Raising Awareness with Focus on Consumers with Disabilities:**

- It is crucial to raise awareness about the existing rights and resources available to consumers with disabilities under the two chief legislations. While consumer awareness has been a key focus of the state, particularly with the launch of the flagship Jago Grahak Jago Campaign, consumers with disabilities have never received attention.

What are the Initiatives for Consumer Protection?

- **Consumer Welfare Fund**
- **Central Consumer Protection Council**
- **Consumer Protection Rules, 2021**
- **Consumer Protection (E-Commerce) Rules, 2020**
- **National Consumer Day**

Conclusion

Ensuring the rights of consumers with disabilities is not just a legal obligation but a moral imperative. By promoting accessibility, non-discrimination, and equal treatment, societies can create a more inclusive and equitable marketplace for all. It is essential for businesses and governments to work together to address the unique challenges faced by consumers with disabilities and to

ensure that they can fully participate in the economy and society. Only through concerted efforts and a commitment to inclusivity can we build a world where every consumer, regardless of their abilities, is treated with dignity and respect.



Safeguarding Great Indian Bustards

This editorial is based on "***The Great Indian Bustard and climate action verdict***" which was published in *The Hindu* on 18/04/2024. The article discusses the recent Supreme Court judgment regarding climate change and highlights its implications for the conservation of the Great Indian Bustard species.

Tag: GS Paper-3, Conservation, Government Policies & Interventions

In a recent judgment, the **Supreme Court of India** has recognised the existence of a **fundamental right** to be free from the adverse impacts of climate change. The judgment has garnered significant attention from environmentalists, mostly focusing only on its impacts on the protection of the **Great Indian Bustard**. It is of massive significance to analyse the judgment from the lens of inclusive climate action.

It argues that first, by limiting itself to only recognising the right, the Court has allowed time and space for a productive discourse on the right's content. Accordingly, this could enable a more informed articulation of the right in the future. Second, given the nature of the core issue in this case, using the **just transition framework** is an excellent approach forward. It can facilitate equitable climate action, including, articulation of a more reflexive and inclusive right.

Note:

Just Transition Framework:

➤ **About:**

- **Definition:** The "Just Transition" framework refers to a comprehensive approach aimed at ensuring that the transition to a sustainable and low-carbon economy is fair and equitable for all stakeholders, particularly workers and communities affected by the shift away from fossil fuels and other environmentally harmful industries.
- **Inclusive Transition:** This framework recognizes the need to address social, economic, and environmental dimensions simultaneously to achieve a smooth and inclusive transition.

➤ **Social Equity:**

- **Worker Rights:** Ensuring the protection of workers' rights, including job security, fair wages, and access to training and re-skilling programs for new employment opportunities in sustainable sectors.
- **Community Development:** Supporting communities reliant on fossil fuel industries through investments in local infrastructure, education, healthcare, and other essential services to mitigate the negative impacts of economic restructuring.

➤ **Economic Justice:**

- **Job Creation:** Promoting the creation of green jobs in renewable energy, energy efficiency, sustainable agriculture, and other environmentally friendly sectors to replace jobs lost in traditional industries.
- **Income Support:** Providing financial assistance, unemployment benefits, and other forms of income support to affected workers during the transition period to ensure their economic security.

➤ **Environmental Sustainability:**

- **Clean Energy Transition:** Facilitating the transition to clean and renewable energy sources while phasing out fossil fuels, thereby reducing greenhouse gas emissions and mitigating climate change.
- **Environmental Remediation:** Investing in environmental remediation and restoration efforts to address the legacy of pollution and environmental degradation left behind by extractive industries.

What is Great Indian Bustard (GIB)?

➤ **About:**

- The **Great Indian Bustard (*Ardeotis nigriceps*)**, the State bird of Rajasthan, is considered India's most critically endangered bird.
- It is considered the flagship grassland species, representing the health of the grassland ecology. Its population is confined mostly to Rajasthan and Gujarat. Small populations occur in Maharashtra, Karnataka and Andhra Pradesh.

➤ **Protection Status:**

- **International Union for Conservation of Nature Red List:** Critically Endangered
- **Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES):** Appendix 1

○ **Convention on Migratory Species (CMS):**

Appendix I

○ **Wildlife (Protection) Act, 1972:** Schedule 1

➤ **Vulnerability:**

- The bird is under constant threats due to collision/electrocution with power transmission lines, hunting (still prevalent in Pakistan), habitat loss and alteration as a result of widespread agricultural expansion, etc.
- GIBs are a **slow-reproducing species**. They lay a few eggs and have almost a year-long parental care of chicks. The GIB achieves **maturity in around 3-4 years**.

➤ **India's Concerns:**

- The grassland habitat in the Cholistan desert, where the GIBs were killed, is very similar to the habitat in Rajasthan's Desert National Park (DNP), where the GIB's last remnant wild population is found.
- DNP is situated near the towns of Jaisalmer and Barmer, forming a part of the mighty Thar desert. It was declared as a **National Park** in 1981 to protect the habitat of the Great Indian Bustard.
- As Rajasthan shares the international border with Pakistan's Sindh and Punjab provinces, the birds will become an easy prey for the gun-toting poachers there.
- The hunting of the rare bird will not only drastically reduce India's GIB population, but will also affect the desert ecosystem.

Note:

➤ **Constitutional Provisions Related to Wildlife Conservation:**

- **Article 48A** of the Constitution provides that the State shall endeavor to protect and improve the environment and to safeguard the forests and wildlife of the country.
- **Clause (g) of Article 51A** stipulates that it shall be the duty of every citizen of India to protect and improve the natural environment including forests, lakes, rivers and wildlife, and to have compassion for living creatures.
- **Article 21** of the Constitution, while safeguarding the rights of humans, protects life and the word "life" has been given an expanded definition and any disturbance from the basic environment which includes all forms of life, including animal life, which are necessary for human life, fall within the meaning of Article 21 of the Constitution.

PRESENT GIB POPULATION

State	Birds
Rajasthan	128
Gujarat	10
Maharashtra	8
Karnataka & AP	10

THREATS

- Fatal collision with power-lines
- Nest predation by native predators (fox, mongoose, crow, monitor lizard) and free-ranging dogs
- Hunting in Pakistan
- Agricultural expansion
- Pesticide prevalence (food reduction and contamination),
- Grazing pressure
- Plantation of shrubs and tree species in grasslands,
- Poor land-use policies
- Habitat Loss



POPULATION DECLINE

- GIB population fell by 90% in the 50 years since 1969
- Population size was 1,260 individuals in 1969
- Fell to 745 in 1978
- 600 in 2000
- 250 around 2011
- Less than 150 GIB in 2019

What are the Recent Updates Regarding GIBs?

- **Filing of the Public Interest Litigation (PIL), 2019 in SC:**
 - The States of Rajasthan and Gujarat are home to the critically endangered Great Indian Bustard. At the same time, both States also hold significant potential for the development of solar and wind power. In 2019, certain public-spirited individuals (petitioners), filed a **public interest litigation**, seeking conservation of the bustard.
 - In the interim, they sought an order seeking a ban on further construction of **solar and wind energy infrastructure**, and the laying of overhead power transmission lines linked to these. They argued that these power lines were a hazard, causing the bustards to die due to frequent collisions with the lines.
- **Blanket Ban by the Supreme Court:**
 - In its decision the Supreme Court imposed a blanket ban on the laying of overhead power lines in an area of 99,000 square kilometres; this included areas identified as priority and potential areas for bustard conservation. The Court also passed an order for undergrounding existing power lines, both high and low voltage.

➤ Objection by the Indian Government:

- The government challenged this order citing India's international climate commitments on **transitioning to non-fossil fuels** and reducing **carbon emissions**. It argued that the blanket ban was issued for an area much larger than the actual area in which the bustard dwells.
- This area, it reiterated, held a major proportion of the country's wind and solar energy potential. Further, it argued that undergrounding power lines was practically impossible. Lastly, it attributed the decline in the bustard population to other factors such as poaching, habitat destruction, and predation.

➤ Recalling of Order by SC:

- In its decision on March 21, 2024 in *M.K Ranjitsinh Versus Union of India in 2021*, the Court modified the earlier order, recalling the blanket prohibition on transmission lines. It left the recalibration of the order to scientific experts.
- To that end, it set up an expert committee to, inter alia, assess the feasibility of undergrounding power lines, and identifying measures for bustard conservation. This committee is required to submit its report by July 2024, after which the Court will pronounce its final judgment.

What are the Various Implications of SC Order in *M.K Ranjitsinh Versus Union of India*?

➤ **Expanding the Contours of Environmental Jurisprudence:**

- SC has expanded the contours of environmental jurisprudence: from the oft-repeated **polluter pay principle**—precautionary principle—public trust doctrine to the larger arena of climate justice, environmental inequity and gender justice.

➤ **Securing Environmental Justice:**

- For long, environmental disputes have been looked at from the narrow prism of an 'environment versus development' debate; in this judgment, the court went beyond this binary and sought to address some of the contentious issues from both constitutional and international legal perspective and principles.
- While there are concerns about the over-emphasis on the benefits of renewable energy in the judgment, in many ways it is precedent setting – nationally as well as globally – and is likely to be an effective tool for securing environmental justice in a world that is becoming increasingly hotter and drier.

➤ **Climate Change and Human Rights:**

- In a first, the Court used this opportunity to recognise the existence of a **right against the adverse impacts of climate change**. It noted that the right is recognised by the **right to equality (Article 14)** and the **right to life (Article 21)** enshrined under the Constitution of India.
- The Court began by explaining the threat posed by the impacts of climate change to the enjoyment of the right to life. Thereafter, it highlighted that disproportionate vulnerability to these impacts threatens the affected persons' right to equality.
 - Concluding this discussion, the Court found that the source of the right is in a conjunctive reading of judicial jurisprudence on Articles 21 and 14; India's climate change action and international commitments, and, the scientific consensus on the adverse impacts of climate change.

➤ **Need to Move Away from Coal-Fired Power Plant:**

- The court, taking into account the submissions of the Union government, highlighted the main reason for the need to shift from coal to solar:
 - India is likely to account for 25% of global energy demand growth over the next two decades, necessitating a move towards solar for enhanced energy security and self-

sufficiency while mitigating environmental impacts. Failure to do so may increase dependence on coal and oil, leading to economic and environmental costs.

➤ **Climate Legislation and Climate Litigation:**

- The judgment takes note of the lack of specific domestic legislation to deal with climate change. India's international obligations and commitments in the present case have not been enacted in domestic law.
 - The court took note of the varied litigations globally around climate change, specifically, the decision of the *Dutch Supreme Court in State of the Netherlands v. Urgenda Foundation*, which recognised that climate change not only impacts the right to life but also the right to private and family life.
 - The decision of the *Committee on Rights of Child (Sacchi, et al. v. Argentina, et al)* where it observed that "while climate change necessitates a global response, individual states retain accountability for their actions or inactions concerning climate change and their contribution to its effects".

➤ **Concerns for GIBs in Revoking the Previous Order:**

○ **Over-Emphasis in the Judgment of the Benefits of Renewable Energy:**

- The main concern is the over emphasis in the judgment of the benefits of renewable energy without considering the social and environmental concerns arising out of large-scale aggressive promotion of renewable energy. There is no doubt that renewable energy is not totally free from its share of environmental and social problems as seen in threats to GIBs.
 - For one, large scale renewables include acquisition of land, restriction of traditional community access to land and consumption of water. The full life cycle analysis will also show that there are critical issues of extraction (of lithium) as well as disposal of solar panels.

➤ **Fragmented Approach for Renewable Energy Projects:**

- Renewable Energy projects involving hundreds of acres still do not require any environmental and social impact assessment and are generally outside the purview of environmental laws. Though some states do require consent under the **Air Act, 1981** and **Water Act, 1974** it remains inadequate, ad-hoc and fragmented.

- This has led to public opposition against unregulated and unrestricted growth of renewable energy. It is imperative to therefore keep in mind that everything is not green with green energy. This was witnessed starkly in the case of threats posed by solar power transmission lines to GIBs.

○ **Navigating the 'Balancing' Conundrum:**

- With respect to the removing the general prohibition on new overhead transmission in 'priority', 'potential' and 'additionally important' areas, the court was of the opinion that 'there is no basis a general prohibition in regard to the installation of transmission lines for the distribution of solar power in an area about 99,000 square kilometre'.
- Yet, while agreeing with the reasons for not having a general prohibition, **the Supreme Court for the first time had to move away from the usual 'environment versus development' debate to the 'environment versus conservation' conundrum.**
 - While balancing two equally crucial goals – the conservation of the GIB on one hand, with the conservation of the environment as a whole on the other hand – it is necessary to adopt a holistic approach which does not sacrifice either of the two goals at the altar of the other. The delicate balance between the two aims must not be disturbed.

○ **Devolving Powers to Expert Committee:**

- The expert committee has to determine the scope, feasibility and extent of overhead and underground electric lines in the area identified as priority areas. **Further, it has been granted liberty to recommend any further measures that are required to enhance the protection of the GIB.** This may include identifying and adding suitable areas beyond the designated priority zones if deemed crucial for the conservation of the species.

➤ **Lack of Articulation of the Right:**

- Notably, the Court recognised the existence of the right, but did not articulate it any further. Additionally, it also underlined the need for articulation. However, it steered clear of undertaking that task. Arguably, the conscious choice of not articulating the right and only recognising it departs from the Court's usual practice in environmental cases.

- Much of Indian environmental law has developed through the Court's judicial decisions in public interest cases. In several cases, it has transplanted, recognised, and articulated environmental rights and legal principles.

What are the Different Views to be Considered to Make the Judgement More Proactive and Inclusive?

➤ **Synchronising Biodiversity Protection and Climate Action:**

- The central issue at stake was limiting the adverse impacts of renewable energy projects on the bustard. As noted by conservationists, the judgment approaches the central issue as presenting two competing choices, i.e., either protecting biodiversity or allowing mitigative climate action. In other words, it projects biodiversity protection and climate action as adversarial choices.
- Furthermore, the recognition of the right is also contextualised in this approach which juxtaposed biodiversity protection and mitigative climate action. Accordingly, the right so recognised only relates to protecting humans' interests against climate change, which can be mitigated by synchronising biodiversity protection and climate action.

➤ **Adopting 'Just Transition Framework' in Letter and Spirit:**

- Going forward, adopting an alternative approach could preclude this conundrum. This approach is: utilising the just transition framework. Currently being used in climate cases around the world, it aims to make transitions to a low carbon economy more equitable and inclusive. It particularly serves the interests of those most affected by such transitions.
- This includes, inter alia, workers, vulnerable communities, and small and medium-sized enterprises. Where the core issue is similar to the one in the present case, using the just transitions framework is an excellent approach.
- In that it allows protecting underrepresented interests (in the instant case, of the bustard) being threatened by slow carbon transition projects (in this case, solar energy).

➤ **Facilitating Inclusive and Equitable Climate Action:**

- Given that the final decision of the Court is still pending, this is an excellent opportunity for the judiciary to use the just transition framework and facilitate inclusive and equitable climate action. A right against climate change has been recognised and is yet to be articulated.

- This provides a productive space for initiating a discourse on the content of the right — an opportunity to make it inclusive and effective. However, this burden is a shared one.
- It falls not only on the state but also on activists, litigants, and academics — who provide content to rights by participating (indirectly or directly) in the process of their recognition, articulation, and enforcement.

SAVING THE GIB

WHAT IS CONSERVATION BREEDING: Conservation breeding means artificial breeding where birds from the wild are caught and mating takes place in a natural habitat. The second generation of these birds are released into the wild. In the case of GIB, second generation birds will be given to participating states like Gujarat. The states will then take up their own breeding programmes.



STATE HASN'T MADE ANY EFFORT, SAY WII EXPERTS: WII experts say that for the last 10 years, the state has been asked to put high-tension lines underground but the state has failed to take any concrete measures. The expert said, "Even if birds are released into the wild they will collide with high-tension lines and die. If Gujarat seeks a male, we will first ask them to give an undertaking with a time-frame for putting the lines underground." An expert said that Devesh Gadhvi, a member of the IUCN expert group on bustards and a member of the state wildlife board, has raised the issue at various meetings and the government also directed the chief wildlife warden to take up the matter with the power companies, but nothing has been achieved.

FOOD AVAILABILITY: Food availability was significantly higher at foraging sites compared to random locations. Availability of plant food material was higher compared to animal food matter. Ziziphus nummularia fruits were the most abundant food available followed by grasshoppers and Capparis decidua fruits during winter. Termites were found only in one location and in high numbers.



ISSUES IN GUJARAT

- **High tension lines** passing through the Naliya area have resulted in the deaths of birds. Two birds that were tagged by the WII died after collisions with power lines.

➤ **Increase in encroachment** on revenue land from core breeding areas but due to the lack of inter-departmental coordination and delays in legal action against encroachments are increasing.



➤ **The GIB habitat in Kutch** is changing drastically due to agriculture and invasion of Prosopis juliflora (gando baval)

➤ **Increase in the number of wind turbines and power lines**

➤ **Traditional hunting** has been reported by a specific community in the area





➤ Adopting a Multi-Pronged Approach:

- **Climate Action Alive to Varied Rights and Interests:**
 - First, there is a need to preclude climate action and protection of biodiversity from being observed in silos. Instead, it can create a case for accommodative climate action, i.e., climate action alive to varied rights and interests.
- **Enabling the Articulation of More Reflexive Climate Rights:**
 - Second, India must strive to enable the articulation of more reflexive climate rights. To that end, utilising it in climate litigation can ensure that articulation and enforcement of climate rights are sensitive to the interests of the non-human nature and furthers ecological justice.
- **Accommodating Non-Human Interests:**
 - Third, if the just transition framework is used in the final decision of the Court, this case will be one of the first just transition litigations to consider a non-human interest.
 - Of the existing just transition litigations globally, only one other case concerns protecting the interests of the non-human environment. Thus,

the present case will be a frontrunner in such litigation. Theoretically, it will contribute to expanding the concept of a just transition to considering more than human interests.

What Steps are Being Taken to Conserve the GIB?

➤ Species Recovery Programme:

- It is kept under the species recovery programme under the **Integrated Development of Wildlife Habitats** of the Ministry of Environment, Forests and Climate Change (MoEFCC).
- In 2015, the Centre had launched the GIB species recovery programme. Under this, the WII and Rajasthan forest department jointly set up breeding centres where GIB eggs harvested from the wild were incubated artificially.

➤ Firefly Bird Diverters:

- **Firefly bird diverters** are flaps installed on power lines. They work as (reflector-like structures strung on power cables) - for bird species like the GIB. Birds can spot them from a distance of about 50 meters and change their path of flight to avoid collision with power lines.
- The Supreme Court has mandated the chief secretaries of Rajasthan and Gujarat to install bird diverters in priority areas. It has also asked them to assess the total length of transmission lines that need to go underground in the two states.

➤ Artificial Hatching:

- The conservation breeding programme started in 2019 by collecting eggs from the wild and artificially hatching them. The first chick hatched on 21st June 2019, and was named 'Uno'. Eight more chicks were hatched that year and raised and monitored. A total of 29 GIBs have been housed in the two breeding centres in Rajasthan.

➤ National Bustard Recovery Plans:

- The Government of India has developed a comprehensive Conservation Plan for Great Indian Bustards to coordinate and guide conservation efforts across multiple states.

➤ Conservation Breeding Facility:

- MoEF&CC, the Rajasthan government and the **Wildlife Institute of India (WII)** have also established a conservation breeding facility in Desert National Park at Jaisalmer in June 2019.

➤ Project Great Indian Bustard:

- It has been launched by the Rajasthan government to construct breeding enclosures for the species and develop infrastructure to reduce human pressure on its habitats.

Conclusion

In his notable work, *The Idea of Justice* (2009), Amartya Sen argues that a theory of justice must include ways of 'reducing injustice and advancing justice'. **Chief Justice**, in a way, amalgamates the two ideas and recognises that citizens will remain unfree unless they are 'free from the adverse impact of climate change' and climate specific legislation, litigations focused on climate change and a shift from coal to cleaner energy are crucial, not only from the environmental perspective, but also in furthering human rights and reducing inequality.

One can hope that the judgment will help shape law, policy and action in way that ensures that not only are citizens free from the adverse impact of climate change, but even the last remaining GIB can fly free without being entangled in power lines.



Introspecting the South China Sea

This editorial is based on "**India's nuanced approach in the South China Sea**" which was published in *The Hindu* on 19/04/2024. The article explores various facets of the South China Sea and analyzes how New Delhi's strategic reassessment acknowledges the critical importance of the South China Sea to regional security and the global maritime order.

Tag: GS Paper-2, Bilateral Groupings & Agreements, Important International Institutions, Regional Groupings, Groupings & Agreements Involving India and/or Affecting India's Interests, Look East to Act East.

In March 2024, India's External Affairs Minister articulated, in a joint statement during his visit to Manila, India's full support for the Philippines in upholding its national sovereignty. His comment was made amid the ongoing **South China** or West Philippine Sea dispute between Philippines and China which witnessed its most intense and volatile year in 2023, with frequent tensions at sea and diplomatic friction.

A joint statement in 2023 between India and Philippines had also called for China to adhere to the rules-based maritime order and acknowledge the **International Court of Justice (ICJ)** ruling of 2016 in favour of Philippines. Both these statements are part of an evolving approach that signals a departure from India's earlier more cautionary and neutral position vis-à-vis the South China Sea.

India's position on the South China Sea has changed significantly in recent years, mirroring its broader strategic and economic aspirations on the global stage through a more clearly articulated stance backing the provisions of international maritime law, sovereignty, and sovereign rights in the South China Sea.

Note: South China Sea (SCS):

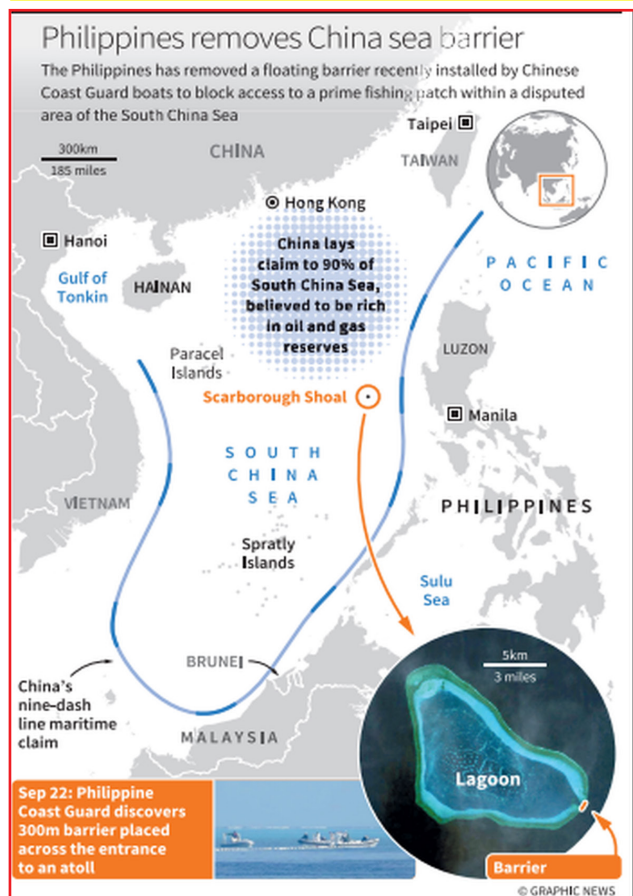
➤ About:

- The **South China Sea** is an arm of western Pacific Ocean in Southeast Asia.
- It is south of China, east & south of Vietnam, west of the Philippines and north of the island of Borneo.
- Bordering states & territories (clockwise from north): the People's Republic of China, the Republic of China (Taiwan), the Philippines, Malaysia, Brunei, Indonesia, Singapore and Vietnam.
- It is connected by Taiwan Strait with the East China Sea and by Luzon Strait with the Philippine Sea.
- It contains numerous shoals, **reefs, atolls and islands**. The Paracel Islands, the Spratly Islands and the Scarborough Shoal are the most important.

➤ Importance:

- This sea holds tremendous strategic importance for its location as it is the connecting link between the **Indian Ocean** and the **Pacific Ocean**, through Strait of Malacca.

- According to the **United Nations Conference on Trade And Development (UNCTAD)** one-third of the global shipping passes through it, carrying trillions of trade which makes it a significant geopolitical water body.
- According to the Department of Environment and Natural Resources, Philippines, this sea has one-third of the entire world's marine biodiversity and contains lucrative fisheries providing food security to the Southeast Asian nations.
- The SCS is believed to have huge oil and gas reserves beneath its seabed.
- It is one of the world's most heavily trafficked waterways. An estimated USD 3.4 trillion in ship-borne commerce transits the sea each year, including energy supplies to U.S., Japan and South Korea.



What are the Various Ongoing Disputes in South China Sea (SCS)?

➤ Disputes over Sovereignty:

- In the northern part of the SCS, China, Taiwan, and Vietnam contest sovereignty of the Paracel Islands; China has occupied them since 1974. The PRC and Taiwan also claim **Pratas Island**, which Taiwan controls.

- In the southern part of the sea, China, Taiwan, and Vietnam each claim all of the approximately 200 Spratly Islands, while Brunei, Malaysia, and the Philippines, claim some of them. Vietnam occupies the most land features in the island chain; Taiwan occupies the largest.
- In the eastern part of the sea, China, Taiwan, and the Philippines claim Scarborough Shoal; China has controlled it since 2012.
 - China's "**nine-dash line**" and Taiwan's similar "**eleven-dash line**" overlap with the theoretical 200-nautical-mile (nm) **Exclusive Economic Zones (EEZs)** that five Southeast Asian countries—Brunei, Indonesia, Malaysia, the Philippines, and Vietnam—could claim from their mainland coasts under the **1994 United Nations Convention on the Law of the Sea (UNCLOS)**.

➤ Dispute over Freedom of the Seas:

- The United States and most other countries interpret UNCLOS as giving coastal states the right to regulate economic activities within their EEZs, but not the right to regulate navigation and overflight through the EEZ, including by military ships and aircraft.
 - China holds the minority view that UNCLOS allows them to regulate both economic activity and foreign militaries' navigation and overflight through their EEZs.
- UNCLOS allows state parties to claim 12-nm territorial seas and 200-nm EEZs around their coastlines and "naturally formed" land features that can "sustain human habitation."
 - Naturally formed land features that remain above water at high tide, but which are not habitable, are entitled to 12-nm territorial seas, but they are not entitled to 200-nm EEZs.

➤ Dangerous Encounters at Sea:

- The U.S. and other governments have accused PRC military and non-military ships and aircraft of conducting unsafe maneuvers in and over the SCS that put other regional actors at risk.
- The U.S. Department of Defense (DOD) reported a "sharp increase in unsafe and unprofessional behavior" by PRC military ships and aircraft in 2021-2022. U.S. officials argue that some of these behaviors were "inconsistent with" bilateral and multilateral agreements regarding air and maritime safety to which China is party.



What is the Stand of India With Respect to South China Sea?

- Change in India's Shift:
 - In July 2016, after the arbitral tribunal announced its ruling in a case brought by the Philippines regarding China's behavior and claims in the South China Sea, India said only that it took note of the award. This was likely meant to avoid taking sides, as China has consistently rejected the award as "illegal" and refused to recognize the tribunal's standing.
 - However, India changed its stance in 2020 and together with Philippines, underlined the need for peaceful settlement of disputes and for adherence to international law. This is the first time that India has proposed abiding by the award, indicating a significant shift in India's "neutral" stance on South China Sea disputes.

➤ Conducting Joint Exercises:

- In May 2019, the Indian Navy, for the first time, conducted joint exercises with the U.S., Japanese, and Philippine navies in the South China Sea. One year later, the Indian Navy held military exercises with the navies of Vietnam, the Philippines, Malaysia, Australia, and Indonesia in August 2021. In May 2023, India for the first time sent warships to participate in a two-day joint exercise with the navies of seven ASEAN states in the South China Sea.

➤ Tensions Between China and Other Claimants:

- In the past decade, tensions have been greatest between China and the Philippines. In 2013—the year after China gained de facto control of Scarborough Shoal following a confrontation between Chinese and Philippine ships—the Philippines sought arbitration under UNCLOS over PRC actions in the SCS.
- In 2016, an UNCLOS arbitral tribunal ruled (among other things) that China's **nine-dash line** claim had "no legal basis" and that China violated the Philippines' sovereign rights by interfering with Philippine vessels, damaging the maritime environment, and engaging in reclamation work on a feature in the Philippines' EEZ.

➤ China's Artificial Islands:

- Between 2013 and 2015, China undertook extensive land reclamation (i.e., island-building operations) in the SCS's Spratly Island chain. The reclamation created around five square miles of artificial landmasses on the seven disputed sites that China controls.
 - China built military infrastructure on and deployed advanced anti-ship and anti-aircraft missile systems and other military equipment to the outposts. Although other claimants have carried out reclamation and construction work at SCS sites that they occupy, the scale of China's reclamation work and militarization has greatly exceeded that of other claimants.

➤ Dismantled Regional Cooperation:

- China and the 10-member **Association of Southeast Asian Nations (ASEAN)** have been negotiating a code of conduct for parties in the SCS since 2002. Some observers say that a binding code is unlikely, and allege that China has prolonged the negotiations to buy time to carry out actions aimed at further strengthening its position in the SCS.

➤ **Increased Military Sales and Assistance:**

- India has also significantly increased its military sales and assistance to the Philippines and Vietnam. In January 2022, India reached a deal with the Philippines for the export of 100 **BrahMos supersonic anti-ship missiles**. In June 2023, Vietnam became the first country to receive a fully operational light missile frigate from India.

➤ **Repercussions of Complex Ties with India:**

- The evolution of India's position on the South China Sea cannot be decoupled from its complex relationship with China. The two countries have a long history of border disputes which have intensified since the Galwan Valley incident of 2020, with Beijing's periodic incursions into India's territory and, most recently, even renaming Indian villages in Arunachal Pradesh.

➤ **The Reasons for the Shift:**○ **South East Asia as Gateway to Indian Ocean:**

- Strategic interests, **freedom of navigation**, and oil and gas resources are the three factors determining India's expanded involvement in the South China sea. Geographically, Southeast Asia serves as a backyard for India and a gateway to the Indian Ocean.
- Given the rising tensions in the South China Sea, India is worried that the tensions might escalate into wars that would threaten its dominance in the Indian Ocean. As a result, India has attempted to increase its presence in the South China Sea.

○ **Pushing Forward Act-East Policy:**

- The transformation of India's policy orientation from **Look East** to **Act East** under present government has marked a shift towards a more strategic and active engagement with the **Indo-Pacific region**.
- This policy evolution reflects India's acknowledgment of the changing geopolitical landscape and the need for a more proactive and multifaceted foreign policy approach with the Act East Policy emphasising not only economic integration but also strategic partnerships and expanded security cooperation with countries in the Indo-Pacific.

○ **Trade Security:**

- As half of its foreign trade passes through the Malacca Strait, free and secure navigation in the South China Sea is the key to India's trade security. This is another reason why India intervened in the South China Sea issue, although it has no maritime disputes with China or ASEAN countries.

○ **Diversifying Energy Resources:**

- The participation of Indian state-owned enterprises, such as the **Oil and Natural Gas Corporation's overseas arm (ONGC Videsh)**, in oil and gas exploration projects in Vietnam's EEZs and other similar ventures not only signified India's economic stakes in the region but also its support for the principle of freedom of exploration and exploitation of maritime resources within the bounds of international law, specifically UNCLOS.

○ **United States as Pull Factor:**

- The United States is a "pull factor" that encourages India to become involved in South China Sea disputes. Both countries have many common interests. Both are pillars of the **Quad**, which aims to promote rule-based world order. Both are concerned about China's dominance in the South China Sea, and both have similar positions on the South China Sea disputes.

○ **Responsible Stakeholder in the Indo-Pacific:**

- As a responsible stakeholder in the Indo-Pacific, India can no longer shy away from taking unambiguous positions on matters of critical importance. Its centrality in the Indo-Pacific theatre means that its periphery is no longer only the Indian Ocean but also the wider maritime domain where China's rise is challenging the status quo in ways not anticipated before.

➤ The ASEAN centrality in India's Indo-Pacific strategy also makes it imperative for India to buttress the ASEAN position, though differences within the regional grouping continue to pose a challenge to such endeavours.

What are the Future Trends Likely to be Witnessed by India in SCS?

In the near future, India's presence in the South China Sea will be further expanded in three ways:

➤ **India's Growing Stakes in the Region:**

- Due to fast-growing trade and investment connections and defense cooperation with the ASEAN states, India would have a stronger motivation to embolden its regional ambitions through the South China Sea issue. This would complicate and "internationalize" the South China Sea disputes.

➤ **Offsetting China's Advantage in Sino-Indian Border:**

- India would continue to offset China's advantages in the Sino-Indian border by manipulating the South China Sea issue. In fact, India has increased

its involvement in the South China Sea sharply since the May 2020 clashes with China in **Galwan Valley**. Given the fragile peace in the border and the cool bilateral relationship, India is likely to utilize the South China Sea issue to restrain China's strengths in the border.

➤ **Assistance from the USA:**

- India would receive help from the United States to intervene in South China Sea disputes. As there will be ongoing confrontation between China and the United States as well as stable relations between China and India in the next few years, India would not hesitate to seize the opportunity to gain benefits from Washington and simultaneously counterbalance China's rise through cooperating with the U.S. on the South China Sea issue.

What are the Various Ways to Mitigate the Crisis in South China Sea?

➤ **Leverage Economic Options:**

- The United States and claimant countries could also sanction Chinese companies and individuals involved in illegal activities, harassment, and coercion in the South China Sea. It should make clear that any Chinese military moves would result in a strong U.S. response, including some of the mitigating options at its disposal.

➤ **Encourage Other Nations to Align Against China:**

- These involved nations could collaborate informally to "name and shame" China for its activities, or could issue formal declarations and resolutions in institutions like ASEAN or the **United Nations**. They could also conduct joint military exercises that cordon off sections of the South China Sea for periods of time.

➤ **Enforce a Code of Conduct in the South China Sea:**

- The involved countries could establish and enforce, with like-minded nations, a code of conduct in the South China Sea. This code of conduct would outline responses to provocative or threatening behavior of Chinese vessels. These responses could include ramming and buzzing, or even more traditional activities like boarding and seizing the Chinese vessels.

➤ **Enhance Security Cooperation and Assistance to Southeast Asian Countries:**

- There is a need to enhance the military capabilities of other claimants to include a networked multinational maritime awareness center that links the intelligence gathering and analysis efforts of Southeast Asian countries in order to monitor

activities in the South China Sea—and punish countries that violate agreed-upon rules of engagement.

- In 2023, new Bilateral Defense Guidelines strengthened U.S. security commitments under the U.S.-Philippines Mutual Defense Treaty, stating that armed third-party attacks against Philippine armed forces, including Coast Guard, aircraft, or public vessels "anywhere" in the SCS would invoke U.S. mutual security commitments under the treaty.

➤ **Propose Discussions About Arms Control and a Mutual Reduction:**

- The SCS countries could agree, for example, to operate farther from China's island military outposts in exchange for the complete demilitarization of those islands. The United States could work closely within regional institutions while pressing China privately to adhere to international rules and norms.

➤ **Fostering Dialogue:**

- There is a realisation that the South China Sea problem requires a political framework, which can only be created through dialogue. Leaders of the ASEAN should try to find a political solution through "quiet diplomacy", as the potential for resolving this issue through legal methods is very low.
- The creation of a "political framework" and progress towards a legally binding "code of conduct" falls more on the shoulders of ASEAN's leaders. If the ASEAN nations want to convey a crucial political message to China, greater understanding is needed among themselves.

➤ **India's Advocacy for a Rules-Based International Maritime Order:**

- India's advocacy for a rules-based international maritime order, especially its emphasis on UNCLOS, reflects a stance against unilateral actions that threaten regional stability. This stance, while rooted in India's principled foreign policy approach, also indirectly challenges China's expansive territorial claims and activities in the South China Sea and reflects India's positioning of itself as a responsible stakeholder committed to regional stability and security.

➤ **Continue FONOPs But No Closer than Twelve Nautical Miles of Contested Features:**

- The United States, along with claimant countries, could signal that the contested features do not have the same rights as territorial seas with respect to freedom of navigation operations

(FONOPs), but maintain as much distance as possible to avoid embarrassing and provoking China. It could also continue to push China to apply the Code for Unplanned Encounters at Sea to its coast guard.

➤ **Improving Maritime Reconnaissance and Surveillance Capabilities:**

- This step would help deter China by improving the claimants' warning time and ability to mount a coordinated response to China's attempts to change the status quo. Such measures are essentially defensive and would be less provocative to Beijing than offensive measures. They are also desirable for nontraditional security missions like humanitarian aid and disaster relief.
- The U.S. government seeks to enhance allies' and partners' maritime domain awareness in the South China Sea. In 2022, the Quadrilateral Security Dialogue announced an effort to improve **maritime domain awareness** throughout the Indo-Pacific, including the SCS.

Conclusion

India is likely to increase its involvement in the South China Sea by various means, which will cause some alarm in China. However, there are limits on India's influence in the disputes. Unlike the United States, India lacks strong alliances and a military presence in the South China Sea, which will necessarily limit its direct involvement. Moreover, the top priority of India is maintaining dominance over the Indian Ocean, rather than replacing China in the South China Sea.

Finally, even though India has increasingly stood with the Philippines and the United States in the South China Sea disputes, it has largely avoided provoking China. India's greater cooperation with the U.S. on the South China Sea issue would be restricted by New Delhi's traditional nonaligned posture and high strategic autonomy.



Iran- Israel Conflict: Instability in the Middle East

*This editorial is based on "**Step back: On Iran-Israel tensions**" which was published in The Hindu on 17/04/2024. The article talks about the geopolitical concerns of heightened tensions in the volatile West Asia region after Iran's drone and missile attack on Israel.*

Tag: GS Paper - 2, Bilateral Groupings & Agreements, Groupings & Agreements Involving India and/or Affecting India's Interests, Effect of Policies and Politics of Countries on India's Interest, International Treaties & Agreements.

Iran launched a significant attack on Israel, deploying over 300 projectiles, including approximately 170 drones, cruise missiles, and over 120 ballistic missiles. This action was widely seen as retaliation for a deadly strike on Iran's consulate in Damascus, Syria.

The attack signals a significant escalation in the ongoing conflict between Israel and Iran, moving beyond previous skirmishes involving **Israel and Hamas**. This event highlights the intensifying tensions between two of the **Middle East's** staunchest adversaries and underscores the potential for further conflict in the region.

What is the Historical Background of Relations Between Iran and Israel?

➤ **Pre-1979 Iran-Israel Ties:**

- Iran was one of the first countries in the region to recognise Israel after its formation in 1948.
- In 1948, the opposition of Arab states to Israel led to the first Arab-Israeli war. Iran was not a part of that conflict, and after Israel won, it established ties with the Jewish state.
- According to an analysis from the **Brookings Institute**, Israel, under its first **Prime Minister David Ben Gurion**, adopted the "**periphery doctrine**" to counter Arab hostility by forming alliances with non-Arab, mainly Muslim, countries in the Middle East. This strategy focused on forging partnerships with nations like Turkey and pre-revolution Iran, which shared a pro-Western orientation and felt isolated in the region
- **Mohammad Reza Shah Pahlavi**, who ruled Iran from 1941 to 1979, pursued a **pro-Western foreign policy**. Despite facing an economic boycott from Arab states, Iran maintained diplomatic ties with Israel and even continued to sell oil to Israel during this period.

➤ **The 1979 Revolution:**

- A religious state was established in Iran after the Shah was overthrown in the **1979 Islamic Revolution**. The regime's view of Israel changed, and it was seen as an **occupier of Palestinian land**.
- Israel's Iranian Supreme **Leader Ayatollah Khomeini** termed Israel "**Little Satan**" and the United States the "**Great Satan**", seeing the two as parties interfering in the region.
- Iran also sought to grow its presence in the region, challenging the two major powers Saudi Arabia and Israel – both of whom were US allies.

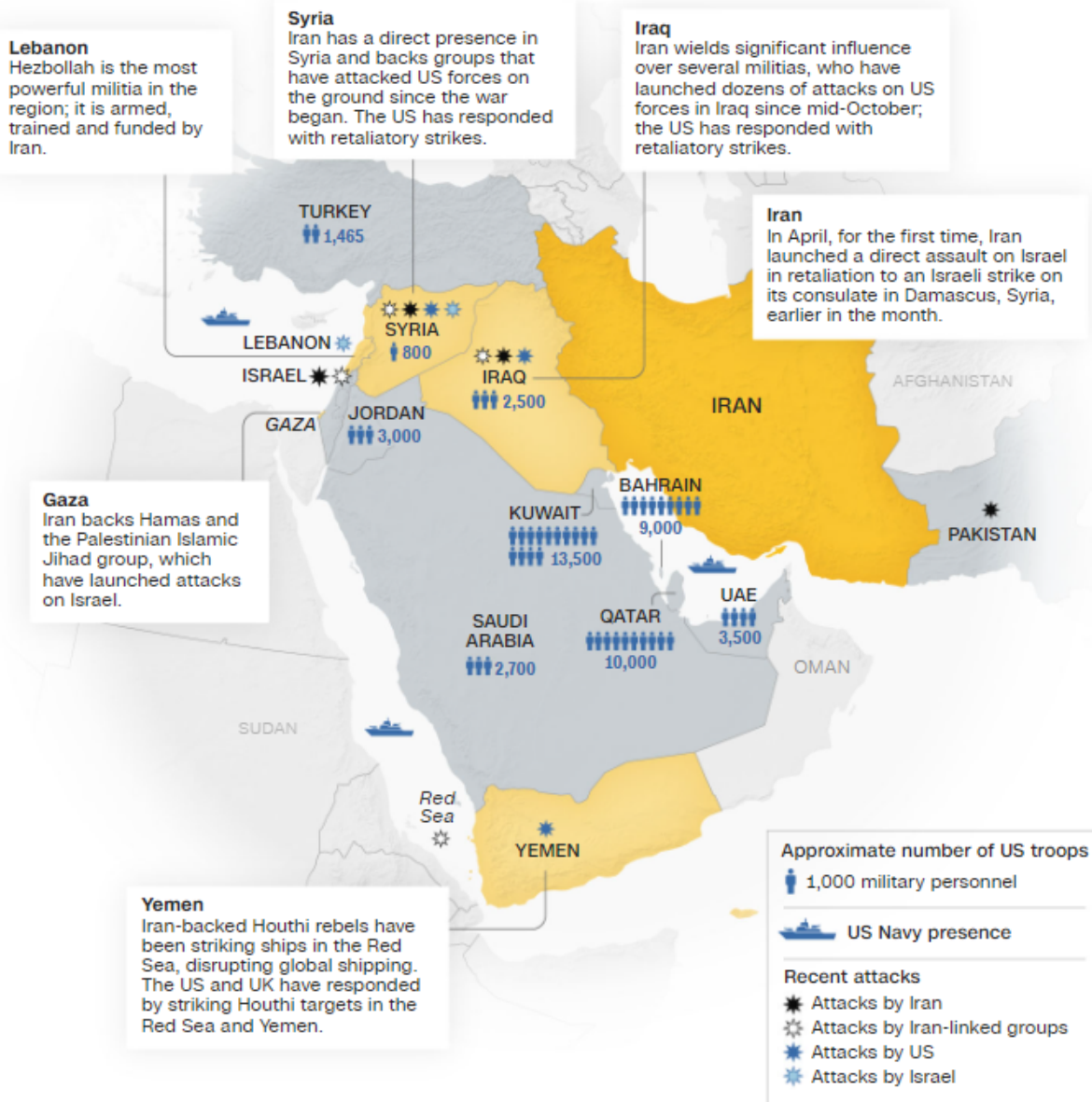
➤ **A Shadow War after 1979:**

- As a result, the ties between the countries worsened. While Israel and Iran have never engaged in direct military confrontation, both have attempted to inflict damage on the other through proxies and limited strategic attacks.
- In the early 2010s, Israel targeted several facilities and nuclear scientists in a bid to prevent it from developing nuclear weapons.
- In 2010, the US and Israel are believed to have developed **Stuxnet**, a malicious computer virus. It was aimed at attacking a uranium enrichment

facility at Iran's Natanz nuclear site and was the **"first publicly known cyberattack on industrial machinery"**.

- Iran, meanwhile, is seen as responsible for funding and supporting several militant groups in the region that are anti-Israel and anti-US, such as Hezbollah in Lebanon and **Hamas** in the **Gaza Strip**.
- This support was why concerns of a widening conflict or a confrontation have been raised in the last few months.

Iran-backed groups in the Middle East and major US military deployments



What are the Key Events that Led to Iran's Attack on Israel?

- **Withdrawal from Iran's Nuclear Deal:** In 2018, Israel hails US withdrawal from Iran's nuclear deal with world powers after years of lobbying against the agreement, calling Trump's decision "a historic move".
- **Assassination of Iran's Army General:** In 2020, Israel welcomes the assassination of General Qassem Soleimani, commander of the overseas arm of Iran's Revolutionary Guards, in an American drone strike in Baghdad. Iran strikes back with missile attacks on Iraqi bases housing American troops.
- **Hamas Missile Attack:** In October 2023, Hamas (the Iran-backed terrorist group) launched a missile attack targeting Israel. In response, Israel conducted airstrikes on Gaza.
- **Israel Raids and Attacks Medical Facilities:** In November 2023, Israel started conducting raids and attacking medical facilities as Hamas was reportedly operating from these hospital buildings and carrying out their warfare.
- **Houthi Group's Red Sea Incident:** In November 2023, The Iran-backed Houthi group, based in Yemen, landed their helicopter on the Galaxy Leader cargo vessel as it was passing via the Red Sea. This marked the start of the 'Red Sea Crisis,' which eventually led to supply chain issues.
- **Escalation of Israel's Ground Offenses:** In December 2023, Israel's ground offenses in the Gaza Strip intensified at a rapid pace. This led to an increase in

the death toll and the number of refugees. India urged for an 'early and durable resolution' between the warring nations.

- **Airstrike on the Iranian Embassy:** A suspected Israeli air strike on the Iranian embassy compound in Damascus kills seven officers of the **Islamic Revolutionary Guard**, including two senior commanders. Israel neither confirmed or denied responsibility.
- **Iran's Missile Attack on Israel:** In April 2024, Iran launched a missile attack on Israel. The attack was, allegedly, in response to a suspected Israeli strike on Iran's consulate in Syria. This marked the first instance of Iran directly targeting Israel from its domestic territory.
- **Israel's Multi-layered Air Defence:** The Israel Defense Forces (IDF) claimed that the Israeli air defense system intercepted 99% of the incoming projectiles from Iran. The United States, the United Kingdom, France, and other Middle Eastern allies also helped defend Israel.

IRON DOME TO ARROW: COMPONENTS OF AIR DEFENCE

Israel intercepted 99% of missiles and drones that Iran launched on Saturday night, Israel's military said. None of the 170 drones and 30 cruise missiles entered Israeli territory, though a few of the 110 ballistic missiles that Iran fired did. Israel is at least 1,000 km away from Iran — with Iraq, Syria, and Jordan in between

IRON DOME

For short-range rockets and shells, like the ones fired from Gaza. Developed by Rafael Advanced Defence Systems; world's most successful missile defence system with 90% success rate, according to the company. Operational since 2011. (right)



RADAR UNIT detects airborne rocket/shell, transmits data to the control unit.



CONTROL UNIT processes data, assesses the threat, charts interception path.

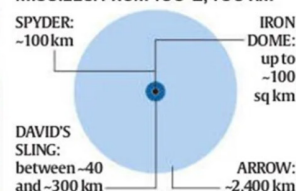


FIRING UNIT sends missile (with radar, special warhead) to hit incoming rocket.

Illustration: Suvajit Dey; Photos: Reuters, Rafael Advanced Defence Systems; Information: AP, Rafael, CSIS



RANGE OF ISRAEL'S AIR DEFENCE MISSILES: FROM 100-2,400 KM



DAVID'S SLING

Intermediate layer of air defence system, for ballistic and cruise missiles and longer-range rockets. Developed by Rafael Advanced Defence Systems along with American defence contractor Raytheon. Carrier has upto 12 Stunner interceptors, according to the firm. Operational since 2017. (above)



SPYDER

Family of multirange mobile air defence systems to defend large areas against aerial attacks by fighter and bomber aircraft, helicopters, cruise missiles, UAVs. All-weather system can be activated within seconds of a target being declared hostile, according to the manufacturer Rafael. (above)

ARROW

A mobile system consisting of hypersonic anti-missile interceptors, ground-based 'Green Pine' missile defence radar, early warning radar, and command and launch control centres. Arrow 3 is most modern, longest range interceptor. Range 1,400 miles-plus, altitude 62 miles; meant for targets in the upper atmosphere.

How the Iran-Israel War May Impact the World?

- **Possible Israeli Response May Increase Regional Escalation:**
 - Given the widely held Israeli belief that a nuclear-armed Iran is an existential threat to Israel, retaliation cannot be ruled out of the decision-making matrix.
 - Failure of diplomatic efforts to de-escalate tensions or negotiate a peaceful resolution could leave military action as the only option, increasing the likelihood of regional escalation.
- **Potential to Disrupt Oil Supplies:**
 - Iran is the third-largest producer of crude oil within OPEC (Organization of the Petroleum Exporting Countries). If the tensions between Iran and Israel escalate further, the supply of crude oil prices will be severely disrupted.

- This will hit Indian share market sentiment as India is the third-largest consumer and importer of crude oil, importing over 80% of its crude oil needs.

➤ **Spike in Inflation and Capital Outflow:**

- If geopolitical tensions increase from hereon, commodity prices will move up due to supply disruptions. Globally, inflation will remain high due to geopolitical tension as it will affect crude oil prices and other commodity prices such as copper, zinc, aluminium, nickel, etc.
- As a result of these concerns, investors are expected to become cautious and may move their money out of riskier assets like Indian stocks and into safer options like **gold (bullion)**.
- Bond prices may fall, the cost of credit may rise for companies, and stock markets may fall both because of reduced profitability of the corporate sector and heightened uncertainty.

➤ **Trade and Travel Disruptions:**

- Apart from oil prices being affected, trade and travel could also be hit in the likelihood of an Israel-Iran all-out war. Aviation and shipping sectors could be disrupted.
- In fact, several countries in the region, including Iran, Jordan, Iraq, Lebanon, and Israel, temporarily closed their airspaces, opening it later, albeit with restrictions.
- Experts have noted that India's exports to Europe would be disrupted in wake of the renewed Iran-Israel tensions.

➤ **India's Strategic Dilemma:**

- India's long-standing strategic relationships with both Iran and Israel present challenges on both policy and operational fronts.
- India values its strategic partnership with Israel, which includes defense cooperation, technology exchange, and intelligence sharing. However, India also maintains historical and economic ties with Iran, including energy imports and infrastructure projects.

- India seeks to maintain stability in the Middle East to safeguard its interests, including energy security and the welfare of its diaspora.

RIISING ENERGY DEMAND

FINANCIAL YEAR

OIL IMPORT DEPENDENCY*

2023-24	87.7
2022-23	87.4
2021-22	85.5
2020-21	84.4
2019-20	85
2018-19	83.8

Source: PPAC; * in %



What Could be the Possible Solutions to De-escalate the Iran - Israel Conflict?

➤ **Sustainable Ceasefire and Two-State Solution:**

- Israel should accept a sustainable ceasefire in Gaza as soon as possible, open the borders for international humanitarian aid to Gaza, and respect the **UN resolutions** to end the 70-year-old crisis by realizing a **two-state solution**.
- The two-state solution is the only feasible way ahead for long-term security, peace and stability in the region. It is not an easy goal, but both sides are familiar with the challenges and opportunities.

➤ **Dialogue and Diplomacy:**

- An international initiative must mediate a sustainable ceasefire between Israel and Iran. Encouraging both countries to engage in direct talks facilitated by international mediators could help build trust and find common ground.
- Iran and Israel could engage in direct talks facilitated by a neutral third party, such as the **European Union** or the **United Nations**.

➤ **Addressing Nuclear Proliferation Concerns:**

- Iran could adhere to the terms of the **Joint Comprehensive Plan of Action (JCPOA)** and allow international inspections of its nuclear facilities to ensure compliance with the agreement.
- In return, Israel could recognise Iran's right to peaceful nuclear energy and commit to refraining from military strikes against Iranian nuclear facilities.

➤ **Regional Cooperation:**

- Promoting cooperation between Iran and Israel within the framework of regional organizations, such as the Arab League or the **Gulf Cooperation Council**, could help address shared security concerns and foster stability in the Middle East.
- Developing a comprehensive regional security architecture that addresses the concerns of all stakeholders in the Middle East could contribute to stability and reduce the likelihood of conflict between Iran and Israel.

➤ **Long-Term Vision for the Middle East:**

- Regional powers could work together to establish a comprehensive security architecture for the Middle East, including confidence-building measures, arms control agreements, and mechanisms for resolving conflicts peacefully.
- Addressing underlying issues, such as historical grievances, territorial disputes, and religious extremism, can help create an environment conducive to peace and reconciliation.

➤ **Normalization of Relations:**

- Iran and Israel could take steps towards normalizing diplomatic relations, such as exchanging ambassadors, reopening embassies, and facilitating people-to-people exchanges, similar to the peace agreements between Israel and some Arab states like the United Arab Emirates and Bahrain.

Conclusion

The repercussions of ongoing instability in the Middle East extend to the Global South and Global Governance. Therefore, it is crucial for the international community to urge all parties to refrain from violence and prioritize diplomatic negotiations for solutions. Embracing responsible and balanced policies is imperative to prevent long-term instability and alleviate the region's crisis.



Celebrating Earth Day, 2024

This editorial is based on "Preparing India for water stress, climate resilience" which was published in *The Hindu* on 22/04/2024. The article discusses the celebration of Earth Day 2024 and highlights efforts to address the water crisis, advancements in the Andaman and Nicobar Islands, and the necessity of a policy framework encompassing gender, climate, nutrition, and food value chains.

Tag: GS Paper-3, Conservation, Environmental Pollution & Degradation, Environmental Impact Assessment (EIA), Biodiversity Hotspots.

As the India Meteorological Department (IMD) predicts a hotter summer and longer heat waves in 2024, India must also prepare for water stress. The challenge is that citizens are programmed to consider acute stresses (heat, water, or extreme weather) as temporary, to be handled often as disaster relief. There is a need to move from panic reactions when disaster strikes (like the

water crisis in Bengaluru), to understand and respond to the chronic nature of risks we face. Moreover, climate action cannot be left to a few sectors or businesses. Nor can environmental sustainability be reduced to sapling plantation drives over a few days.

It also involves the preservation of tribal strongholds such as Andaman and Nicobar Islands. For millennia, these historically isolated indigenes have relied on these islands as resource reservoirs for sustenance and protected them. This Earth Day (April 22) should be a wake-up call. The climate is the economy now, and the economic production frontier will expand or shrink depending on how we understand the intersections between land, food, energy and water.

Although India aims to achieve Net Zero GHG emissions by 2070, mainly led by a massive transition to large-scale renewable energy, the implications of such a transition on developmental or sustainability outcomes are unclear at the local and national levels.

What is Earth Day?

➤ **Background:**

- Earth Day was first observed in 1970 when around 20 million took to the streets to protest environmental degradation on the call of US Senator Gaylord Nelson.
- The event was triggered by the 1969 Santa Barbara oil spill, as well as other issues such as smog and polluted rivers.
- In 2009, the United Nations designated 22nd April as 'International Mother Earth Day'.

➤ **About:**

- Earth Day is now globally coordinated by EARTHDAY.ORG, which is a non-profit organization. It was formerly known as Earth Day Network.
- It aims to "build the world's largest environmental movement to drive transformative change for people and the planet".
- The landmark Paris Agreement, which brings almost 200 countries together in setting a common target to reduce global greenhouse emissions, was also signed on Earth Day 2016.

➤ **Significance:**

- It recognizes a collective responsibility, as called for in the 1992 Rio Declaration (Earth Summit), to promote harmony with nature and the Earth to achieve a just balance among the economic, social and environmental needs of present and future generations of humanity.



Note: Other Important Days:

- 22nd March: [World Water Day](#)
- 22nd May: [World Biodiversity Day](#)
- 5th June: [World Environment Day](#)
- 2nd August, 2023: [Earth Overshoot Day](#) (This day Varies across the years)

Earth Hour:

- [Earth Hour](#) is the [World Wildlife Fund for Nature \(WWF\)](#)'s annual initiative that began in 2007. It is held every year on the last Saturday of March.
- It encourages people from more than 180 countries to switch off the lights from 8.30 pm to 9.30 pm as per their local time.
- It seeks to raise awareness about [climate change](#) and the need to save the environment.

What are the Various Facets of Water Crisis Witnessed in India?

➤ **Water Flowing Through the Economy:**

- Precipitation is the primary source of soil moisture and water stored in vegetation (green water) and the water available in rivers and aquifers (blue water). Both blue and green water impact the food we grow — irrigating crops, influencing harvests, and being critical to the economy.
- The India Employment Report 2024 shows that agriculture still employs around 45% of the population and absorbs most of the country's labour force. At the same time, a Council on Energy, Environment and Water (CEEW) study showed that monsoon rainfall is changing patterns in India, with 55% of 'tehsils' or sub-districts seeing a significant increase of more than 10% in southwest monsoon rainfall in the last decade, compared to the previous three.
 - But this increased rainfall is frequently coming from short-duration, heavy rain, affecting crop sowing, irrigation and harvesting. Making the agricultural sector more resilient to climatic and water stresses matters for jobs, growth and sustainability.

➤ **Climate Crisis and its Impact on Hydrometeorological Disasters:**

- According to the [UN World Water Development Report 2020](#), almost 75% of natural disasters in the last two decades were related to water. According to CEEW analysis, between 1970 and 2019, the number of flood associated events (such as landslides, thunderstorms and cloud bursts) increased by up to 20 times in India. Freshwater, one of the nine planetary boundaries, has been transgressed.

➤ **Multidimensional Connotation of Water Crisis:**

- The water crisis can be classified as either physical or economic, stemming from a variety of factors including rapid urbanization, industrialization, unsustainable agricultural methods, climate change, unpredictable rainfall patterns, excessive water consumption.
- Apart from those, inefficient water management, pollution, insufficient infrastructure, a lack of stakeholder engagement, and runoff exacerbated by heavy rainfall, soil erosion, and sediment buildup also play significant role.

➤ **Issues of Water Stress:**

- According to the World Resources Institute, 17 countries face 'extremely high' levels of water stress which is threatening to result in conflict, unrest and peace among people. India is not an exception to these problems.
- In India, water availability is already low enough to be categorised as water stressed, and is expected to reduce

further to 1341m³ by 2025 and 1140m³ by 2050. Also, 72% of all water withdrawals are for use in agriculture, 16% by municipalities for households and services, and 12% by industries.

➤ **Groundwater Table Depletion:**

- In almost every State and in the main cities of India, there is groundwater table depletion. The example of Bengaluru is one prominent example. In Punjab, Rajasthan, Delhi and Haryana, the ratio of groundwater consumption to availability is 172%, 137%, 137% and 133%, respectively, which is cause for alarm.
- In contrast, in Tamil Nadu, Uttar Pradesh, Gujarat, Madhya Pradesh and Maharashtra, it is 77%, 74%, 67%, 57%, and 53%, respectively. Most perennial rivers/streams now have intermittent flows or have run dry. In most areas after April-May, there is Less water availability even for drinking and other uses.

➤ **Lack of Streamlined Approach Across Domestic and Agricultural Domains:**

- The government's emphasis on 'Per Drop More Crop', 'Gaon ka pani gaon mein', 'Khet ka pani khet mein', 'Har Medh per ped' under various programmes such as the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), watershed management, Mission Amrit Sarovar and the Jal Shakti Abhiyan, etc adopts a siloed approach vis-a-vis domestic and agricultural uses.
- In this scenario, it is mandated to adopt a comprehensive and synchronized localist interventions tailored to the needs of different regions and States that provides equal emphasis on all aspects of water usage and conservation.

➤ **Continuous Encroachment on Catchment Areas:**

- Small water bodies such as lakes, ponds, and streams are under constant threat due to encroachment on their catchment areas. As urbanization expands, people are building houses, commercial buildings, and other infrastructure in and around the catchment areas of these water bodies.
- The urban agglomeration witnessed from the 1990s has severely impacted SWBs, turning many of them into dumping grounds. The Standing Committee on Water Resources (2012-13) underlined in its 16th report that most of the water bodies in the country were encroached upon by State agencies themselves.

What are the Different Steps Required for Mitigating the Water Crisis?

- **Effective Water Governance:**
 - Effective water governance needs policies that recognise its interactions with food and energy

systems. However, CEEW and International Water Management Institute (IWMI) analysis shows that although India has adopted several policies, most do not recognise this nexus while planning or at the implementation stage.

- For instance, while the scaling up of green hydrogen is desirable, the link with water availability is not always considered. Similarly, the impact of scaling up solar irrigation pumps on groundwater levels must be analysed to deploy the technology where there is an optimal mix of solar resource and higher groundwater levels. Policies should incorporate the food-land-water nexus through localised evidence and community engagement.

➤ **Sustainable Use of Blue and Green Water:**

- India needs to focus on the judicious use of blue and green water through water accounting and efficient reuse. The National Water Mission targets increasing water use efficiency by 20% by 2025. Similarly, the Atal Mission on Rejuvenation and Urban Transformation (AMRUT) 2.0 calls for reducing non-revenue water, which is lost before it reaches the end user, to less than 20% in urban local bodies.

➤ **Leveraging Financial Tools for Climate Adaptation:**

- Leverage financial tools to raise money for climate adaptation in the water sector. Following global trends, India's climate action has been largely focused on mitigation in the industrial, energy, and transport sectors.
- Financial commitments for climate change adaptation in the water and agriculture sectors are still relatively small. In 2019-20, for which aggregate estimates are available, the per capita annual spending on climate change mitigation was about Rs 2,200, whereas for adaptation, it was only Rs 260.

➤ **Adopting Judicious Mix of Traditional and New Technologies:**

- A large amount of India's food grains is from the rainfed region. The Government lays stress on having a judicious mix of 'traditional indigenous and new technologies to improve soil health and conserve water' and pitched for the efficient use of every drop of water. Hence, paying attention to these points is important.

➤ **Emphasizing Both, Quality and Quantity:**

- Enhancing water availability with respect to quantity and quality and blue and green water is vital since water is more than just a basic human right. Water is also an instrument of peace-

building and enhances the overall quality of life. Promoting sustainable agricultural production, ensuring water security and maintaining environmental integrity are increasingly becoming important issues.

➤ **Adopting Different Resource Conservation Measures:**

- Water Crisis mitigation can be made possible by adopting different resource conservation measures in general and rainwater harvesting (in-situ and ex-situ) and ensuring roof top rainwater harvesting in particular.
- Rain water harvesting (RWH) enables resilience against water scarcity and drought by augmenting recharge and aiding irrigation. The optimum use of surface water by large-scale RWH structures, conjunctive use with groundwater And safe reuse of waste water are the only viable solutions to boost and maintain the current level of food grain production.

➤ **Need for a Protocol for Revival of Water Bodies:**

- There is the need for a protocol of the revival of ponds/waterbodies. To tackle all these problems there is a great need to study the condition of every waterbody, its water availability, water quality and the state of ecosystem services it supports. There is a need also to create more waterbodies and their revival in every village by looking into the catchment-storage-command area of each waterbody.

What Does the Earth Day, 2024 Signify for the Tribal Population in Andaman & Nicobar Islands (ANI)?

➤ **Concerns:**

- Disregard of Indigenous Land Ownership and Management Systems:
 - In May 2022, in complete disregard of the indigenous land ownership and management systems, the **Andaman and Nicobar (A&N)** administration issued three public notices, announcing its intention to create three wildlife sanctuaries: a coral sanctuary at Meroë Island, a megapode sanctuary at Menchal Island, and a leatherback turtle sanctuary on Little Nicobar Island.
- **Lack of Consultation and Coordination:**
 - Approximately 1,200 southern Nicobarese inhabit Patai Takaru (Great Nicobar Island), and Patai t-bhi (Little Nicobar Island), holding traditional rights over both inhabited and ostensibly “uninhabited” islands. Yet, the A&N administration neither consulted nor informed the southern Nicobarese of its plans.

○ **Usurpation of Tribal Rights:**

- In mid-July, 2022, the A&N administration issued an order asserting that it did not receive any claims or objections from any individual regarding the land and marine areas within the three proposed sanctuaries; that no individual enjoys any rights within the boundaries of the proposed sanctuaries. And, that there will be “restriction on the people of neighbouring area to enter into these islands... in the national interest.”

○ **Denotification of the Galathea Bay Wildlife Sanctuary:**

- The announcement of wildlife sanctuaries coincided with growing scrutiny and criticism from experts over the denotification of the Galathea Bay Wildlife Sanctuary for a ₹72,000-crore mega project on Great Nicobar, a **UNESCO Biosphere Reserve**.

➤ Establishing exclusionary conservation areas in a region, which is already a paradise for biodiversity, stems from the fact that the champions of the mega project are aware of the extensive environmental and social damage that the project will entail.

➤ It will devastate about eight to 10 lakh evergreen forest trees, smother and gouge out scores of coral reefs found along Galathea Bay, destroy the nesting site for the globally endangered **Leatherback sea turtle** species, devastate hundreds of nesting mounds of Nicobar Megapodes, and kill as many crocodiles.

➤ Suggestions:

- **Balanced Development:** Militarising ANI and infrastructure and developmental projects will not doubt aid India’s strategic and maritime capabilities, but such development should not come at the cost of the ruthless exploitation of Biodiversity hotspot i.e ANI.
- **Sustainably Developing ANI:** Given its economic, ecological & environmental constraints and the laws to protect the indigenous tribes, the Andaman and Nicobar Islands will have to be first developed sustainably in order to maximise its economic and military potential.
 - A sustainable island development framework is not only important for the ANI but will also be applicable and of interest to other island nations across the Indian Ocean.
- **Sister Islands:** Reunion is the most developed island territory among the above-mentioned four island territories, with a framework that supports both the island’s economic needs as well as France’s military priorities in the Indian Ocean.

- Taking from the idea of “sister cities”, the framework of “sister islands” can be formed.
 - India and France should lead an effort, utilising their island territories of Andaman and Reunion in developing a concept of sister islands aimed at creating a foundation for a sustainable model for island development across the Indian Ocean.
 - Similar to sister cities, a sister island concept would allow India and France to co-develop a sustainable framework for island development.
- **India’s Development Plans in Indo-Pacific:** If India is to invest in capacity building initiatives and maritime projects in the **Indian Ocean**, there is a need to research and create an island model for development. Such an approach also creates a new avenue for Indian-led initiatives in the **Indo-Pacific**.
- As India and its partners compete for access and influence across the Indo-Pacific toward achieving common interests, there is a need to engage with and address regional concerns and challenges of strategically located island nations.
- **Role of IOC: Indian Ocean Commission (IOC)** is the only island driven organisation in the Indian Ocean. It plays an important role in voicing the concerns and challenges of the islands of the western Indian Ocean.
- France recently took over as the Chair of the IOC. India in 2020, formally joined the group as an Observer.
 - It provides an opportunity for both the countries to lead an island-focused development model.
 - India could also borrow lessons from France’s island experiences in both the Indian Ocean as well as in the Pacific.

Note:**Andaman and Nicobar Islands:****History:**

- India’s association with Andaman and Nicobar Island dates back to the aftermath of the 1857 War of Independence when the British established a penal colony for Indian revolutionaries.
- The islands were occupied by the Japanese in 1942 and later became the first part of India to be liberated from British rule in 1943 when **Netaji Subhas Chandra Bose** visited Port Blair.
- After the Japanese surrender in 1945, the British reoccupied the islands. On the eve of Independence islands were given to India.

- In 1962, a naval garrison was established due to concerns about a Chinese submarine. In 2001, the Andaman Nicobar Command (ANC) was established in Port Blair after the post-Kargil War security review, marking India’s first joint and Unified operational command.
- The ANC is India’s first joint/unified operational command, placing forces from all three services and the **Coast Guard** under a single commander-in-chief.

Key Facts:

- The **Ten Degree Channel** is a narrow strait that separates the Andaman Islands from the Nicobar Islands. It is located approximately at the 10-degree latitude mark.
- Indira Point is the southernmost tip of the Nicobar Islands. It is situated on Great Nicobar Island and marks the southernmost point of India.
- The ANI is home to 5 **Particularly Vulnerable Tribal Groups**: Great Andamanese, Jarwas, Onges, Shompens and North Sentinelese.



Why Does the Earth Day, 2024 Mandate Developing a Policy Framework as Paramount Solution?

- **Policy Framework at Intersection of Gender, Climate and Nutrition:**
 - Developing a policy framework at the intersection of gender, climate, nutrition, and food value chains is essential for addressing complex issues related to sustainable development and social equity. This framework recognizes the

interconnectedness of these factors and aims to integrate gender perspectives into policies and programs that address climate change, promote nutrition, and ensure food security.

➤ **Redressing Challenges Facing Food Systems:**

- The Rome Declaration on Nutrition underscores the challenges existing food systems face in providing sufficient, safe, diverse, and nutrient-rich food for everyone. Approximately 800 million people worldwide don't have reliable access to food.
- Two billion people suffer from iron and zinc deficiencies. Food systems today are also responsible for a third of the world's greenhouse gas emissions. The declaration calls for adopting multi-dimensional approaches to addressing these challenges through adherence to the targets of Sustainable Development Goals.

➤ **Promoting a Sustainable Diet:**

- India itself suffers from many forms of malnutrition: 32% of children under five are underweight and 74% of the population can't afford a healthy diet. Unhealthy diets are leading to a surge in the prevalence of non-communicable diseases.
- However, it is also true that over the years, India has made notable progress in understanding the sustainability and nutritional contents of diets.
- It is now important for India to reflect on whether healthy diets can help mitigate climate change as well. A sustainable diet needs to serve health and nutrition demands, meet cultural expectations, submit to economic necessities, and be just.

➤ **Developing Gender-Just Food Value Systems:**

- Women are especially disproportionately affected by climate change and poor nutrition, despite being important food-system stakeholders. In Chhattisgarh, some communities have more gender-just food systems – which are systems that recognise women as equal contributors to both productive and reproductive economies – with equal rights and entitlements, less drudgery, ability to access infrastructure and technologies, and with an even distribution of responsibilities.
- Communities in the State with a more gender-just food system were also seen to be more resilient against shocks like droughts. When women's collectives are involved in decision-making about their livelihoods, they get better access to financial assets, natural resources,

and knowledge. Not surprisingly, then, they are more productive and have better health and nutritional outcomes.

➤ **Adopting Indigenous Systems:**

- Indigenous food systems across India have sustained communities for thousands of generations. They are derived mainly from the surrounding natural environment with minimum human intervention. Many people live in forests and consume edible greens, fleshy fruits, root vegetables, mushrooms, grains, various forest produce, and wild meat.
- Working with local communities on their diets based on locally available food has been able to improve their nutrition status and inflict minimum harm to the environment.

➤ **Reducing Emissions:**

- A diet higher in plant-based foods is also more environmentally sustainable than one with more animal foods. The latter can be substituted with plant-based meats and dairy alternatives. There is also a need to shift to plants that consume less energy, land, and water, resulting in lower emissions.
- Researchers have found that the concentrations of protein, iron, and zinc could be 3-17% lower in crops grown in environments where the atmospheric carbon dioxide (CO₂) concentration is 550 ppm versus when the CO₂ concentration is just above 400 ppm.
- Given this warning, we need to adopt a value-chain approach to improve the benefits that accrue to communities, such as lowering emissions together with optimising for their dietary choices/needs from the household level.

➤ **Scaling Up and Decentralising Food Production Systems:**

- There is an urgent need for scaling up (as well as decentralising) diversified food production systems, promoting underutilised indigenous foods, and developing an analytical framework at the intersection of gender, climate, nutrition, and food value chains.
- Focusing on nutritious food alone will not help reduce the impact of food systems on the environment. Focus must be to continuously and extensively monitor emissions linked to the production and distribution of food, and ensure the corresponding assessment tools are also more accessible to local communities.

Conclusion

Expectations that systemic change will occur overnight are unrealistic. But it is possible to make a start by pursuing more coherence in water, energy and climate policies, creating data-driven baselines to increase water savings, and enabling new financial instruments and markets for adaptation investments. A water-secure economy is the first step towards a climate-resilient one.

Similarly, Indigenous peoples are the original guardians of our earth. The world must learn from their wisdom. Reason and justice dictate that in southern Nicobar, there is a need to support and empower the islanders to continue to steward their ancestral territories, rather than robbing them of their lands, resources, lifeways, and worldviews.

Accordingly, there is strong evidence that diverse food consumption can have a strong impact on nutrition and on per capita emissions. Focusing on nutritious diets alone will not help assess and reduce impact on the environment; it must be supported by linking diets to emissions as well. This in turn could force production systems to become more diverse, nutrition-sensitive, and emissions-sensitive.

■ ■ ■

Observing India-Mauritius Tax Treaty

This editorial is based on “*Paying Their Fair Share*” which was published in *Indian Express* on 23/04/2024. The article examines tax treaties and investments, with a focus on the India-Mauritius Tax Treaty. It discusses recent amendments to the treaty and their implications for both countries.

Tag: GS Paper-3, Liberalization, Fiscal Policy, Investment Models

Tax treaties are integral to cross-border investment relations as they define the treatment of incomes that arise in one country accruing to a resident of another country. Their design is also a reflection of the underlying power equation. Developing countries often negotiate treaties that cede greater taxing rights in the hope of higher investments. India-Mauritius Tax Treaty and the recent amendments succinctly underscore and incorporate these aspects and also underline the importance treaty harbours for India in the long run.

Whether it is legitimate for third countries to avail of such benefits by routing investments through the preferential jurisdiction has been discussed widely. In the *Union of India v. Azadi Bachao*, the Court was of the

view that **treaty shopping** is a necessary evil for a developing economy. Two decades on, the norm and legal frameworks have changed dramatically.

The **Base Erosion and Profit Shifting programme (BEPS)** was to end the use of low-tax jurisdictions for tax avoidance. Since then the **OECD** — that was tasked with the redesign of international tax laws to push forward such reform — has developed a set of best practices under 15 action points. One among these was the **multilateral instrument (MLI)** that allowed countries the option to select tax treaties and provisions therein that would be amended suitably and swiftly. The instrument received wide support.

Note:

Stopping Investors from Treaty Shopping - One of the Key OECD's 15 Action Points:

- Tax treaties, also known as double taxation avoidance agreements (DTAAs) or tax conventions, are agreements between two countries that aim to prevent taxpayers from being taxed on the same income by both countries.
 - These treaties help in eliminating or reducing double taxation, promoting cross-border trade and investment, and enhancing cooperation between countries in tax matters.
- One of the key reforms initiated by OECD was the inclusion of a provision for prevention treaty abuse as a minimum standard and an amendment of the preamble to the treaties.
 - The latter is to prevent non-taxation or reduced taxation through tax evasion, including treaty-shopping arrangements that provide benefits to residents of other jurisdictions and anti-abuse rules that will enable tax administrations to deny treaty benefits in certain circumstances.
 - In more than 1,100 treaties signed by countries, a broad **anti-avoidance rule** or principal purpose test (PPT) has been opted for. India is among the signatories to the MLI and in line with its position, the recent amendment to the India-Mauritius treaty signals the keenness to plug the well-known loophole.

What are Double Taxation Avoidance Agreements (DTAAs)?

➤ About:

- It is an agreement that has been signed between India and other countries. According to the agreement, an individual earning an income in another country while being a resident of another country does not have to pay two (double) taxes on the same income.

➤ **Objectives:**

- The tax rules of every country has two main components -
 - Tax on foreign income
 - Tax on non-residents
- The Tax on foreign income arises when the resident or company of a country earns income in another country. For instance, if an Indian individual, earns an income in USA, it is called a foreign income. Since this foreign income is a part of the individual who is resident in India, it should be taxed in India.
- Tax on non-residents is incurred when a resident of another country earns an income domestically. So, in the above example, if a USA citizen, earns some income in India, so the income earned in India would be taxed in both countries.

➤ **Working Principles - DTAA Works on Two Principles:**

- The **source rule** is when the income is taxed in the country of origin whether you are a resident of the country or not.
- The **resident rule** specifies that the income would be taxed in the country where you reside, irrespective of the income's origin.
 - In India, the residence rule is followed. This means that one's international income would be taxed in the country where s/he is a resident. If one is an Indian resident,

international income would be taxed in India. If, on the other hand, if one is an NRI, Indian income would be taxed in the resident country as well as in India. However, s/he can claim the benefit as per the provisions of the DTAA.

➤ **Exemptions:**

- In the Indian context, NRIs would not have to pay double tax on the following sources of income earned in India based on the provisions of DTAA with the respective countries:
 - Salary received
 - Payment for services rendered in India
 - Interest on fixed deposits in India
 - Income from house property which is situated in India
 - Interest earned on savings bank account maintained in India
 - Capital gains earned when capital assets are transferred in India

What is India-Mauritius Tax Treaty?

➤ **About:**

- The India-Mauritius Tax Treaty is a bilateral agreement signed in 1982 to prevent double taxation and fiscal evasion of income taxes between the two countries. This treaty aimed to promote bilateral trade and investment by providing tax certainty to investors and avoiding the imposition of taxes on the same income by both India and Mauritius.

➤ **Exemption to Capital Gains Tax:**

- One of the key provisions of the India-Mauritius Tax Treaty was the exemption of capital gains tax in India on the sale of securities (such as shares) by Mauritian residents.
 - This provision made Mauritius a preferred route for foreign investors, particularly for investing in the Indian stock market, as they could route their investments through Mauritius to benefit from the tax exemption.



➤ **Amendments in 2016:**

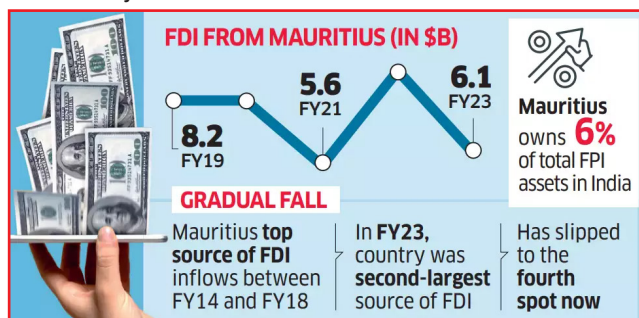
- In 2016, India and Mauritius signed a revised tax agreement, which gave India the right to tax capital gains in India on transactions in shares routed through the island nation beginning April 1, 2017. However, investments made before April 2017 were grandfathered.

➤ **Significance:**

- The India-Mauritius Tax Treaty has played a significant role in facilitating investment flows between the two countries, particularly in the form of **foreign direct investment (FDI)** into India. The treaty has undergone amendments to address concerns related to tax evasion and ensure that it aligns with international tax norms and standards.

➤ **Concerns in India- Mauritius Tax Treaty:**

- The India-Mauritius tax treaty has been a subject matter of controversy and debate ever since it was signed over 30 years ago. Before 2017, Article 13(4) of the tax treaty exempted **capital gains** arising from sale of shares in an Indian company at the hands of Mauritian residents.
 - Over time, concerns were raised about the potential misuse of the treaty for tax evasion and round-tripping of funds, wherein Indian residents would route their investments through Mauritius to avoid taxes in India. In response to these concerns, the treaty was amended in 2016 to address these issues.
- However, the tax treaty did not contain a general anti-abuse clause to tackle round tripping of funds or treaty-shopping arrangements.
 - While India's tax treaty with Mauritius contains provisions for exchange of tax information, any information requested has to be "foreseeably relevant" for giving effect to the tax treaty or the Income Tax Act, 1961.
 - In the absence of extensive, worldwide information-sharing network, wealth is usually not repatriated to India where it belongs, but shifted to new, non-collaborating secrecy jurisdictions.



Note:

India-Mauritius Commercial Relations:

- India has been one of the largest trading partners of Mauritius since 2005.
- Indian exports to Mauritius for FY 2022-2023 were USD 462.69 mn, while Mauritian exports to India were USD 91.50 mn, with total trade amounting to USD 554.19 mn.

- Trade between India and Mauritius has grown by 132% in the last 17 years.
- Petroleum products were the largest export item for India to Mauritius until mid-2019. Other Indian exports to Mauritius include pharmaceuticals, cereals, cotton, shrimps, prawns, and bovine meat.
- Main Mauritian exports to India include vanilla, medical devices, needles, aluminum alloys, scrap paper, refined copper, and men's cotton shirts.
- Cumulative FDI worth USD 161 billion came from Mauritius to India between 2000 - 2022, largely due to the DTAA.
- Mauritius and India signed the **Comprehensive Economic Cooperation and Partnership Agreement (CECPA)** in 2021.
- CECPA is the first trade agreement signed by India with an African country.
- In 2024, the **Unified Payment Interface (UPI) and also RuPay card services** were launched in Mauritius.
- Users in Mauritius and India will experience convenience in making transactions, both domestically and internationally, through the adoption of RuPay and UPI.

What are the Recent Amendments Made to India Mauritius Tax Treaty?

➤ **Principal Purpose Test (PPT):**

- India has signed a protocol amending the Double Taxation Avoidance Agreement (DTAA) with Mauritius to plug treaty abuse for tax evasion or avoidance. The amended pact has included what is called the Principal Purpose Test (PPT), which essentially lays out the condition that the tax benefits under the treaty will not be applicable if it is established that obtaining that duty benefit was the principal purpose of any transaction or arrangement.

➤ **Article 27B:**

- In the amended protocol, Article 27B has been introduced in the treaty defining the 'entitlement to benefits'. The PPT will deny treaty benefits, such as the reduction of **withholding tax** on interest royalties and dividends, where it is established that obtaining that treaty benefit is one of the principal purposes for the party engaged in the transaction.

➤ **Amendments to the Preamble:**

- The two nations have now also amended the preamble of the treaty to incorporate the thrust on **tax avoidance and evasion**. The earlier

objective of 'mutual trade and investment' has now been replaced with an intent to "eliminate double taxation" without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance including through "treaty shopping arrangements" aimed at obtaining relief provided under this treaty for the indirect benefit of residents of third jurisdictions.

➤ **Allowing Authorities to Move Beyond Residency Certificate:**

- It is expected that the amendments to the treaty allow the authorities to move beyond the residency certificate and assess the principal purpose of an arrangement or transaction. Given that 16 % of FDI inflows in 2021-22 were from Mauritius, the reform will impact the composition of flows, as was observed after the amendments in 2017 when capital gains became taxable at source in India.

➤ **Aligning With Global Efforts:**

- The recent amendment reflects India's intent to align with global efforts against treaty abuse, under the BEPS framework - an international framework to combat tax avoidance by multinational enterprises using base erosion and profit shifting tools i.e "shifting" profits to higher tax to lower tax jurisdictions .
 - Though India is yet to make any announcements regarding Pillar Two amendments (a minimum 15% corporate tax on income) in its domestic tax laws, it is anticipated that this may be announced in the July 2024 **budget**, after the general elections.

Note:

Concerns Over Recent Treaty Amendments:

- There may be a surge in litigation as investors from Mauritius will be required to substantiate the commercial rationale behind their transactions now, demonstrating that the primary objective was not to take treaty benefits.
 - It remains to be seen whether this amendment will extend to grandfathered investments. It is noteworthy that ongoing litigation pertaining to beneficial ownership and substance concerning Indian investments is already prevalent.
- Tax experts also said that any guidance issued by the Indian government will be required to understand the full impact of these changes on investments and tax planning strategies. The application of the PPT to grandfathered investments remains ambiguous, highlighting the need for explicit guidance from the **CBDT**.

- Investors are apprehensive that this will result in greater scrutiny of the capital gains tax levy and exemption, as the PPT will be applicable to past investments where investors have not made an exit yet.

What is the Significance of the Amended Treaty for India?

➤ **Factoring in the BEPS MLI:**

- After the amendments, any Indian inbound or outbound cross-border structuring of investment routed through Mauritius should factor in the BEPS MLI (Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting) impact, especially if the structuring involves availing of tax treaty benefits (in India or Mauritius). Also, this amendment applies to all incomes such as capital gains, dividends, fee for technical services, etc.

➤ **Minimizing Tax Avoidance:**

- The amendments aim to curb tax treaty abuse and minimise avenues for tax avoidance or mitigation by integrating PPT into the said treaty. Furthermore, the omission of the phrase "for the encouragement of mutual trade and investment" in the treaty's preamble suggests a shift in focus towards preventing tax evasion over promoting bilateral investment flows.

➤ **Fulling the Objectives of OECD:**

- In October 2021, over 135 jurisdictions agreed to implement a minimum tax regime for multinationals under 'Pillar Two'. Following this, in December 2021, Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules — Global Anti-Base Erosion (GloBE) rules — which will introduce a global minimum corporate tax rate set at 15%. The amended tax treaty is a first step towards implementation of GloBE rules.
 - The minimum tax is proposed to apply to MNEs with revenue above Euro 750 million and is estimated to generate around USD 150 billion in additional global tax revenues annually.
 - The Pillar Two also provides for a co-ordinated system of taxation of a top-up tax on profits arising in a jurisdiction whenever the effective tax rate, on a jurisdictional basis, is below the minimum rate of 15 %.

➤ **Applicable to All Transactions After the Notification of the Treaty:**

- The text of the protocol amending the treaty states that the "provisions of the protocol shall

have effect from the date of entry into force of the protocol, without regard to the date on which the taxes are levied or the taxable years to which the taxes relate". This suggests that the PPT will apply to all transactions after the treaty gets notified, irrespective of the date of the investment itself, and has the potential to boost tax revenue for the country.

- The DTAA was a major reason for a large number of FPIs and foreign entities to route their investments in India through Mauritius, as there was no capital gains tax on sale/transfer of shares.
 - The March 2017 timeline is significant in the context that the treaty was last amended in May 2016 allowing the right to tax capital gains arising from sale or transfer of shares of an Indian company acquired by a Mauritian tax resident.
- However, the government at that time had grandfathered, or in other words, exempted investments made until March 31, 2017 from such taxation.
- Powers to Tax-Authorities to Probe Based on Intent:
- The amending protocol to the India-Mauritius treaty may ensure that treaty benefits, which include lower withholding rates, will not be granted where it can be reasonably concluded that obtaining the benefit is one of the principal purposes of the transaction or arrangement.
 - The language ensures that the tax administration can probe based on intent. This has been a particularly thorny issue with respect to financial flows from Mauritius. It is often suggested that taxpayers from other jurisdictions route their investments through Mauritius.

Conclusion

International tax law is turning a new page as the treaties with serious revenue implications are now being reformed. There is also growing support for the global minimum tax that includes a proposal on the subject to tax rule (STTR). STTR is a treaty-based rule that ensures a top-up tax on low-taxed intra-group transactions that are subject to corporate tax rates below the minimum of 9 %. It is expected that these changes will further impact the current practices of using treaties to avail benefits. As India changes its tax treaties, this amendment is proof that the BEPS programme has indeed shifted the direction of policy to ensure investment decisions are not all about tax.



Curbing Intake of Processed Foods

This editorial is based on "[*Toss out the junk food, bring back the healthy food plate*](#)" which was published in *The Hindu* on 24/04/2024. The article addresses the concerns raised by the consumption of junk food and emphasizes the necessity for a grassroots movement supported by genuine policy measures to encourage healthy and nutritionally varied diets, as well as to ensure informed food decisions.

Tag: GS Paper-3, Agricultural Marketing, Food Processing, Agricultural Resources, GS Paper - 2, Poverty

India, like many other countries, is undergoing a major "nutrition transition". In what characterises rapidly changing dietary patterns, there is a significant shift away from traditional diets, which were high in fibre and comprised mostly whole foods, to more western-style diets, which are processed and high in calories. This change has coincided with rapid economic progress and urbanisation along with a surge in the consumption of packaged and processed foods (popularly called "junk foods").

Junk foods are foods that are high in calories, sugars, unhealthy fats, and salt but low in nutrients. These foods are often highly processed and are typically low in fiber, vitamins, and minerals. Examples of junk foods include fast food items like burgers, fries, and pizzas, sugary snacks like cookies, candies, and sodas, and salty snacks like chips and pretzels. Consuming junk food regularly can lead to various health problems, including obesity, heart disease, type 2 diabetes, and dental issues. These foods are often convenient and appealing but offer little nutritional value.

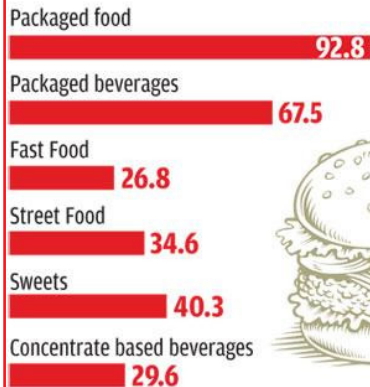
What are the Various Concerns Related to Junk (Fast) Foods in India?

➤ Categorised as HFSS Foods:

- Categorised as high in fats, salts and sugars (HFSS) foods, scientific evidence shows how junk food has been medically found to weaken the body's defences against infection, increase blood pressure, lead to a spike in blood sugar, cause weight gain, and also contribute to increased risk of cancer.
- Often packaged as comfort foods in India, examples of such junk or HFSS foods include cookies, cakes, chips, namkeen, instant noodles, sugary drinks, frozen meals, canned fruits, Indian sweets, and bakery product.

1 High on packaged food items

Those consuming more than once a week on an average (%)

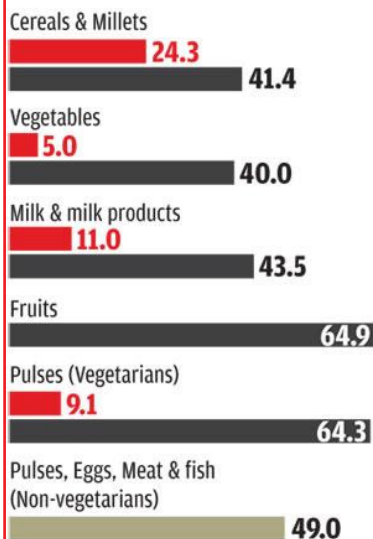


Note: (i) Packaged Food: Chips, instant noodles, chocolates and ice-creams; (ii) Packaged Beverages: Carbonated beverages (soft drinks), Juice-based packaged beverages & Milk-based packaged beverages like sweet lassi; (iii) Fast Food: Fries, pizzas, etc. from fast food outlets; (iv) Street Food: Chaat, samosa, etc.; (v) Sweets: Cake, pastry, mithai, etc.; (vi) Concentrate-based beverages: sherbats, squash, etc

2 Balanced diet takes a hit

Respondents (%)

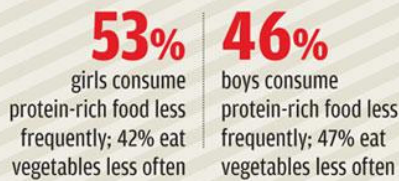
- 6-7 days/ week but less times
- Less than 6 days/week
- Average < 2 times/day



Note: Less times means: (i) Cereals 1-2 times/day; (ii) Vegetables and Milk & milk products: 1 time/day; (iii) Pulses (for vegetarians) : 1 time/day
Limitation: For non-vegetarians, data does not capture the spread of the intake of pulses, eggs, meat & fish and only relies on average no. of times per day

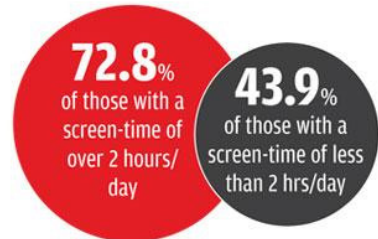
Fact of the FAD

The recent online survey by the Centre for Science and Environment shows that schoolchildren are increasingly consuming packaged food products, high in fat, salt or sugar



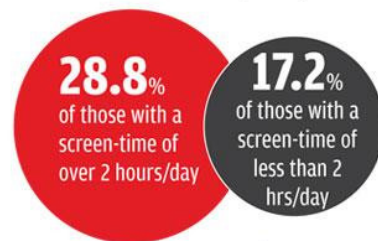
4 High the screen time, higher the unhealthy diet

Children who consume fast food & packaged food at least once a day



5 High the screen time, lesser the physical activity

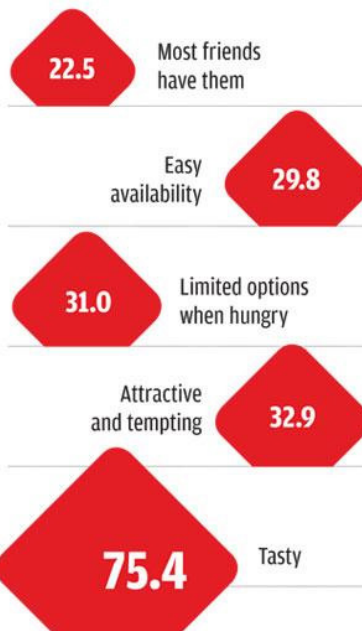
Children who have sedentary lifestyle



Note for 4 & 5: Screen-time is time spent in (i) watching television; (ii) browsing the internet for recreation

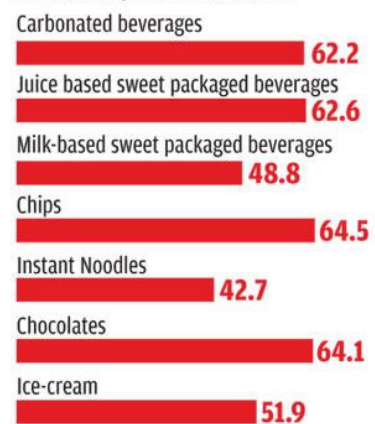
3 Peer pressure, compelling ads, lead to a change in habit

Respondents (%)



6 When school serves junk

% of children who have packaged food & beverages over twice a week consume at school, or buy from or near school

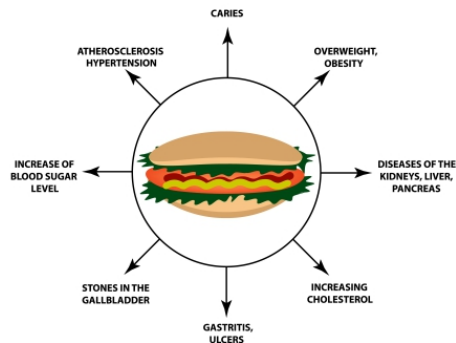


➤ Significant Rise in Lifestyle Diseases:

- It should come as no surprise that India is experiencing an explosion of lifestyle diseases, with unhealthy diets being one of the single largest contributing factors.

- To put the magnitude of the health burden into perspective, an **Indian Council of Medical Research (ICMR)** study published in 2023 estimates that in India the prevalence of metabolic disorders is glaringly high where 11% have diabetes, 35% are hypertensive and almost 40% are suffering from abdominal obesity.

THE CONSEQUENCES OF EATING FAST FOOD



➤ Effects of Aggressive Advertising:

- A significant factor to consider while analysing the evolving dietary habits of Indians is the influence of aggressive advertising to promote “tasty” and “affordable” comfort foods, particularly aimed at younger consumers.
 - According to a pan India survey conducted by the Centre for Science and Environment (CSE), 93% of children ate food that was packaged, 68% drank packaged sweetened beverages more than once a week, and 53% ate these foods at least once a day.
- At the same time, the ultra-processed food industry in India has expanded at a compound annual growth rate of 13.37% between 2011 and 2021. Moreover, India’s food processing industry is predicted to be worth USD 535 billion by 2025-26.

➤ High Glycemic Index (GI) and Glycemic Load:

- There is a lot of evidence to support the growing importance of the GI and GL of diets. The link between high GI and GL diets to the risk of type 2 diabetes has been established recently. However, what is less known is the association of high GI diets with cardiovascular disease and mortality.
 - Diets with high GI include sugar and sweets, white rice, maida, potato, white bread, sweetened drinks, jaggery and cookies. This is particularly relevant to India and South Asia where carbohydrate consumption in the form of high GI white rice or wheat, forms the bulk of calories, leading to very high GL of our diets.

Note:

Glycemic Index (GI) and Glycemic Load (GL):

- The concept of ‘Glycemic Index’ was first proposed by Prof. David Jenkins of the University of Toronto in 1981. The glycemic index (GI) of a food refers to the property of the food to increase the blood glucose level and is a measure of the ‘quality’ of carbohydrates.
- Glucose or white bread is used as the comparator. The GI of glucose is taken as 100 and the GI of other foods is given as a percentage of this.
- Thus, the GI of foods is classified as low GI (less than 55), medium GI (56- 69) and high GI (over 70). The GI multiplied by the amount of the carbohydrate consumed, determines the glycemic load (GL).

Regulating Sugar Content:

- In its Food Safety and Standards (Advertising and Claims) Regulations 2018, the FSSAI said that only if total sugar is less than 5g per 100g in a product, it can claim to be ‘low on sugar.’ **World Health Organization’s** has set a threshold of consuming 25 grams or six teaspoons of sugar per day.

➤ The Process of ‘Malting’ in Making the Processed Foods:

- Apart from added sugar, the process of malting, which involves germinating cereals, drying, roasting and powdering them, also produces sugar. Malting was a process originally used to produce single malt whiskey, and is also used in making malt-based milk beverages. Apart from added sugar, the various chocolate powders contains maltodextrin, liquid glucose, maltose generated from malting process of cereals and so on.

➤ Concerns Due to ‘Processed Baby Foods’:

- For a one to two year old child, the companies such as Nestle recommend feeding twelve scoops or 100 grams of baby food (such as Cerelac) every day. This means the baby consumes 24 grams of sugar each day. Extra sugar in a young baby’s diet creates unnecessary pressure on the baby’s pancreas, leading to production of excess insulin which may lead to diabetes and obesity in future.
 - Addition of ingredients like maltodextrin to improve flavour and texture is harmful as the white starchy powder of maltodextrin has a higher glycemic index (GI) than table sugar. Excess sugar gets converted into triglycerides, a form of fat which gets stored in liver leading to fatty liver and insulin resistance that causes diabetes.

➤ **Lack of Precise Definition for HFSS Foods:**

- The **Food Safety and Standards Authority of India (FSSAI)** has issued regulations to limit the consumption of foods high in fat, sugar, and salt (HFSS). However, there is currently no clear method to define or identify which foods specifically fall into the category of HFSS foods. This lack of a precise definition or identification process poses a challenge in effectively regulating the consumption of these unhealthy foods.

➤ **FSSAI Using Rating Stars and Not Warning Labels:**

- In September 2022, the FSSAI put out a draft notification which was released to explain what a HFSS food would consist of and how to warn consumers against it on front-of-the-pack labelling of the food packet or beverage bottle.
- It implied that if a product derives more than 10% of total energy (kcal) from sugar and/or saturated fat, then the product was high on fat and/or sugar. However, the FSSAI has kept the regulation open-ended on whether companies need to declare fat, sugar and salt content on the front of the pack or not.
 - It has also batted for 'health rating stars,' and not warning labels. Warning labels are upfront and inform the consumers if a product is high on fat, salt or sugar. Health stars can be misleading.

➤ **Escaping Star Rating Systems:**

- The Indian Nutrition Rating (INR), where packaged food products would be given a star rating based on the overall nutritional profile of the product, is in fact included in the most recent draft of the Food Safety and Standards (Labelling & Display) Amendment Regulations, 2022.
- However, there are a number of concerns here. Above all, star ratings will give producers a clear escape route.
 - They may add one or two healthy components to raise the overall star rating while still selling unhealthy foods that are dangerously high in fat, sugar, and salt.
 - Moreover, regulations are voluntary until a period of four years from the date of final notification of the regulations.

What are the Various Ways to Address the Concerns Arising out HFSS Foods?

➤ **Supreme Court's Ruling:**

- A ruling by the **Supreme Court of India**, in 2013, offers a constitutionally sound place to begin. The

Court emphasized that any food article which is hazardous or injurious to public health is a potential danger to the fundamental right to life guaranteed under **Article 21 of the Constitution of India.**"

- Recognising the need to promote people's health and well-being, the Government of India has prioritised the promotion of healthy foods and an active lifestyle through its initiatives such as **Eat Right India**, the **Fit India Movement**, and **Prime Minister's Overarching Scheme for Holistic Nutrition (Poshan) 2.0.**

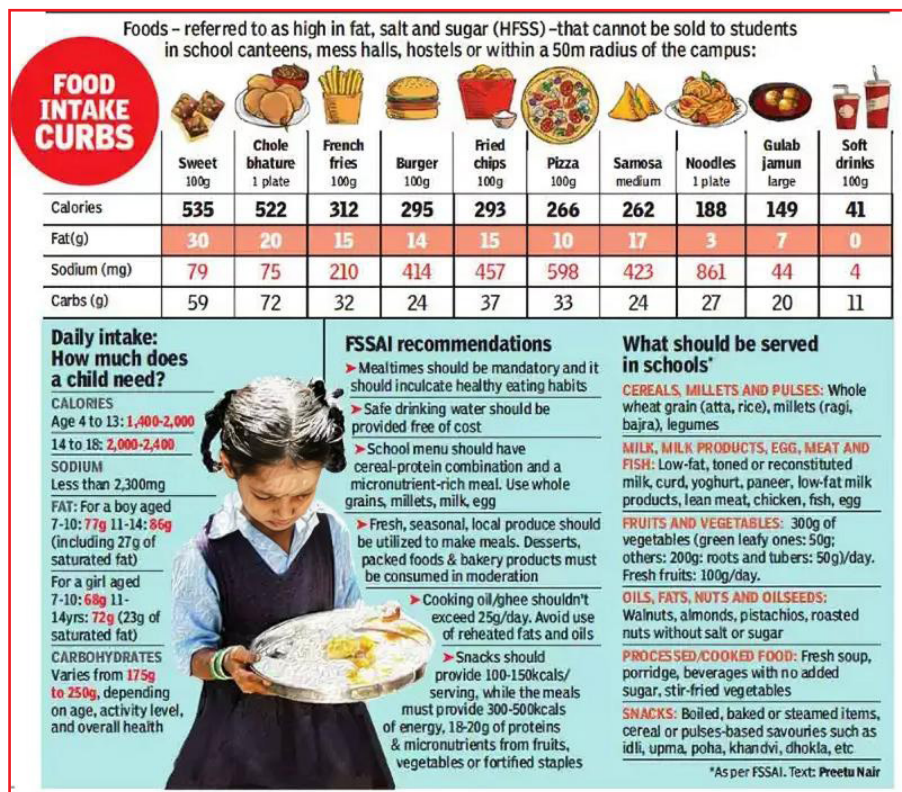
Note: Eat Right India:

- In the preamble to the **Food Safety and Standards Act, 2006**, the Food Safety and Standards Authority of India (FSSAI) is expected to ensure availability of safe and wholesome food for the people in India.
- Therefore, FSSAI has embarked on a large-scale effort to transform the country's food system in order to ensure safe, healthy and sustainable food for all Indians through the 'Eat Right India' movement. The tagline '**Sahi Bhojan. Behtar Jeevan**', thus, forms the foundation of this movement.
 - Eat Right India adopts a judicious mix of regulatory, capacity building, collaborative and empowerment approaches to ensure that our food is good both for the people and the planet.
 - Further, it builds on the collective action of all stakeholders - the government, food businesses, civil society organizations, experts and professionals, development agencies and citizens at large.



➤ Ensuring Effective Implementation of FSSAI Regulations:

- As children are more exposed to the advertising of unhealthy foods, the FSSAI released the **Food Safety and Standards (Safe food and balanced diets for children in school) Regulations, 2020**, restricting the sale of HFSS in school canteens/mess premises/hostel kitchens, or within 50 metres of the school campus.
- Recently, the **National Commission for Protection of Child Rights** also issued notice to a health drink giant to evaluate and withdraw all misleading advertisements, packaging and labels that brand the product as a “health drink”, citing the product’s high sugar content that can adversely impact the health of children. This regulation’s effective implementation needs to be ensured by all companies.



➤ Relooking FSSAI Regulation:

- According to Food Safety and Standards (Foods for Infant Nutrition) Regulations, 2019, sugar is allowed in milk cereal-based complementary food. The regulation says that lactose and glucose polymers shall be preferred carbohydrates for food and infant nutrition.
- Sucrose and/or fructose shall not be added, unless needed as a carbohydrate source, and provided the sum of these does not exceed 20% of total carbohydrate. The regulation permits sugar, hence the regulation needs to be re-looked.

➤ Need for a Comprehensive Legislation:

- The first step would be to bring about a comprehensive regulation to clearly define what is ‘healthy,’ and ‘unhealthy,’ which encompasses all beverages and food products. There is already draft notification on front of pack labelling and high fat, sugar, salt foods which has received comments from all stake holders, but still not implemented. This needs to be given legislative backing.

➤ Preventing Unhindered Marketing of Unhealthy Products:

- The underlying problem is marketing and pushing it to unsuspecting consumers. Also, under the Infant Milk Substitutes Act, infant foods cannot be promoted via advertisements. However, rules are flouted, and social media influencers often promote baby food. Strong action needs to be taken against illegal ads.

➤ Promoting Local and Seasonal Fruits and Vegetables:

- This can include multimedia messaging on the health impacts of junk foods; campaigns building on “vocal for local” which promotes local and seasonal fruits and vegetables and traditional foods such as millets; and interactive discussions on balanced diets and tapping into social media influencers to mainstream conversations about the health risks of junk foods.

➤ Four Strategies as Key to Translating Policy Intention Into Meaningful Change:

- **First**, a good starting point for the government is to protect growing children from the harmful impact of junk foods.
 - Thus, it is imperative that the FSSAI goes ahead and “defines” what exactly constitutes HFSS foods in the Indian context which can enable better implementation of food safety regulations.
- **Second**, Front-of-Pack Labelling (FOPL) appears to be a low-hanging fruit which can enable consumers to make informed choices about what foods they choose to eat.

- Currently, people have access to a mathematical nutrition table in small print on the back of food packets which many neither notice nor comprehend.
- As an alternative, a “warning label” that states “high in salt” on the front might make more sense, particularly if you are a hypertensive patient.
 - **Third**, policies can also be developed to facilitate positive subsidies for healthy foods such as whole foods, millets, fruits and vegetables that will improve their availability, affordability, and thus greater consumption in rural and urban areas.
 - The question for policymakers is how to make a fruit more affordable than a Rs 5 high salt chips packet and Rs 2 high sugar biscuits.
 - **Fourth**, in addition to the policies, a behavioural change campaign targeting children and young adults alike can play a critical role in helping youth adopt healthy dietary habits and mindful eating practices.

Conclusion

It is critical to acknowledge the urgency of switching to healthier diets and creating public demand, or, as **Prime Minister** calls it, a “Jan Andolan” or people’s movement, for healthy and nutritionally diverse diets. These efforts must be accompanied by sincere policy interventions that help Indians exercise their right to make informed food choices.

By opting for whole, minimally processed foods rich in nutrients, fiber, and essential vitamins, individuals can reduce their intake of unhealthy additives, excessive sugars, and refined grains commonly found in processed foods. This proactive approach not only supports better physical health but also promotes mental clarity and sustained energy levels.



Making Swachh Bharat Mission A Reality

This editorial is based on “***The reality of the Swachh Bharat Mission***” which was published in *The Hindu* on 25/04/2024. The article elucidates various facets of the Swachh Bharat Mission, emphasizing its status as a state-owned initiative. However, it also points out certain challenges the scheme faces, such as its perceived role in the privatization of public health services and its perpetuation of caste discrimination.

Tag: GS Paper - 2, Health, Government Policies & Interventions.

India was ranked right at the bottom of 180 countries in the **Environment Performance Index (EPI)** in 2022. The EPI ranks countries on climate change performance, environmental health, and ecosystem vitality. It measures 40 performance indicators across 11 issue categories, such as air quality, and drinking water and sanitation.

For 10 years, the government has embarked on several campaigns of environmental health and development. These included the **Swachh Bharat Mission (SBM)**, the **Atal Mission for Rejuvenation and Urban Transformation**, the **Pradhan Mantri Awas Yojana**, and the **National Clean Air Programme**.

The SBM is meant to address the issue of **WASH (Water, Sanitation, and Health)**. Likewise, the **Smart Cities Mission (SCM)** is supposed to deliver on the clean energy requirements of towns. However, what is witnessed is an increase in the vulnerability of the population owing to air and water pollution, among others.

What is Swachh Bharat Mission (SBM)?

- **About:**
 - It is a massive mass movement that seeks to create a Clean India by 2019. The father of our nation **Mr. Mahatma Gandhi** always puts the emphasis on swachhta as swachhta leads to healthy and prosperous life.
 - Keeping this in mind, the Indian government has decided to launch the swachh bharat mission on October 2, 2014. The mission will cover all rural and urban areas.
 - The urban component of the mission will be implemented by the Ministry of Housing and Urban Affairs, and the rural component by the Ministry of Jal Shakti.
- **Swachh Bharat Mission for Urban Areas:**
 - **Phase 1:**
 - The programme includes elimination of open defecation, conversion of unsanitary toilets to pour flush toilets, eradication of manual scavenging, municipal solid waste management and bringing about a behavioural change in people regarding healthy sanitation practices.
 - The mission aims to cover 1.04 crore households, provide 2.5 lakh community toilets, 2.6 lakh public toilets, and a solid waste management facility in each town.
 - Under the programme, community toilets will be built in residential areas where it is difficult to construct individual household toilets.

- Public toilets will also be constructed in designated locations such as tourist places, markets, bus stations, railway stations, etc. The programme will be implemented over a five-year period in 4,401 towns.

- The expected assistance for construction of community toilets - Central Government will contribute upto 40% of the cost of construction of community toilet as a **Viability Gap Funding (VGF)**/ outright grant. As per SBM guidelines, the States/UTs shall provide an additional 13.33% for the said component.

- The North-East and **special category states** shall be required to contribute 4% only. The balance shall have to be arranged through innovative mechanisms by the urban local body. The approximate cost per seat for a community toilet is Rs 65,000.

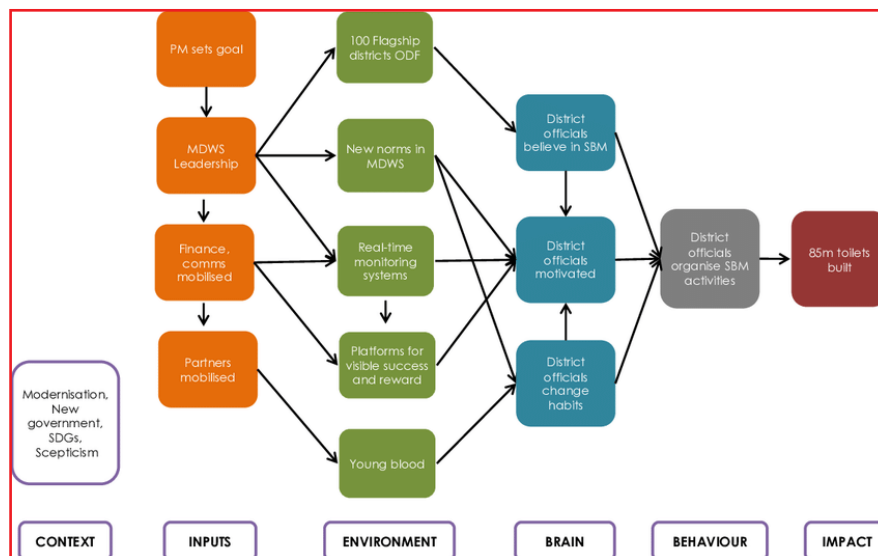
○ Phase 2:

- SBM-U 2.0 envisions to make all cities 'Garbage Free' and ensure grey and black water management in all cities other than those covered under AMRUT, make all urban local bodies as ODF+ and those with a population of less than 1 lakh as ODF++, thereby achieving the vision of safe sanitation in urban areas.
- The Mission will focus on source segregation of solid waste, utilizing the principles of **3Rs (reduce, reuse, recycle)**, scientific processing of all types of municipal solid waste and remediation of legacy dumpsites

for effective solid waste management. The outlay of SBM-U 2.0 is around Rs 1.41 lakh crore for the period 2021-22 to 2025-26.

- This will be a continuation of the Swachh Bharat Mission (Urban), with the following components for funding and implementation across all statutory towns, viz.

- Sustainable sanitation (construction of toilets)
- Wastewater treatment, including fecal sludge management in all ULBs with less than 1 lakh population (this is a new component added to SBM-U 2.0)
- Solid Waste Management
- Information, Education and Communication, and
- Capacity building.



➤ Swachh Bharat Mission for Rural Areas:

○ Phase 1:

- The Nirmal Bharat Abhiyan has been restructured into the Swachh Bharat Mission (Gramin). The SBM(G) was launched on 2nd October 2014 to ensure cleanliness in India and make it **Open Defecation Free (ODF)** in Five Years.
- It seeks to improve the levels of cleanliness in rural areas through Solid and Liquid Waste Management activities and making Gram Panchayats Open Defecation Free (ODF), clean and sanitised.
 - Incentive as provided under the Mission for the construction of Individual Household Latrines (IHHL) was available for all **Below Poverty Line (BPL)** Households and Above Poverty Line (APL) households restricted to **SCs/STs**, small and marginal farmers, landless labourers with homestead, physically handicapped and women headed households.
 - The Incentive amount provided under SBM(G) to Below Poverty Line (BPL) /identified APLs households was up to Rs.12,000 for construction of one unit of IHHL and provide for water availability, including for storing for hand-washing and cleaning of the toilet.
- Central Share of this Incentive for IHHLs was Rs.9,000/- (75%) from Swachh Bharat Mission (Gramin). The State share was Rs.3,000/-(25%).
- For North Eastern State, and Special category States, the Central share was Rs. 10,800/- and the State share Rs.1,200/- (90% : 10%). The beneficiary

was encouraged to additionally contribute in the construction of his/her IHHL to promote ownership.

○ **Phase 2:**

- Having achieved the milestone of an ODF India in a time bound manner in the last five years from 2014 to 2019, the work on sanitation and the behaviour change campaign has to continue to sustain the gains made under the programme and also to ensure no one is left behind and the overall cleanliness (Sampoon Swachhata) in villages as well.

➤ In February 2020, the Phase-II of the SBM(G) with a total outlay of Rs. 1,40,881 crores was approved with a focus on the sustainability of ODF status and Solid and Liquid Waste Management (SLWM).

➤ SBM(G) Phase-II is planned to be a novel model of convergence between different verticals of financing and various schemes of Central and State Governments. The programme will be implemented in mission mode from 2020-21 to 2024-25.

➤ **Different Components of SBM:**

○ **Swachh Vidyalaya Abhiyan:**

- The Ministry of Education has launched Swachh Vidyalaya Programme under SBM with an objective to provide separate toilets for boys and girls in all government schools within one year.
- The programme aims at ensuring that every school in the country must have a set of essential interventions that relate to both technical and human development aspects of a good Water, Sanitation and Hygiene Programme.

- The Ministry financially supports States/Union Territories inter alia to provide toilets for girls and boys in schools under Sarva Shiksha Abhiyan (SSA) and Rashtriya Madhyamik Shiksha Abhiyan (RMSA).

○ **Rashtriya Swachhata Kosh:**

- The Swachh Bharat Kosh (SBK) has been set up to facilitate and channelize individual philanthropic contributions and Corporate Social Responsibility (CSR) funds to achieve the objective of Clean India (Swachh Bharat).
- The Kosh will be used to achieve the objective of improving cleanliness levels in rural and urban areas, including in schools. The allocation from the Kosh will be used to supplement and complement departmental resources for such activities.

➤ To incentivise contributions from individuals and corporate, modalities are being considered to provide tax rebates where it is possible.

○ **GOBAR-DHAN:**

- Galvanizing Organic Bio-Agro Resources Scheme (GOBAR-DHAN) scheme was launched by the Ministry of Jal Shakti in 2018 and aims to augment income of farmers by converting biodegradable waste into compressed biogas (CBG).

What are the Different Issues Being Witnessed in Implementation of SBM?

➤ **Persistent Traditional Beliefs Regarding Sanitation Work:**

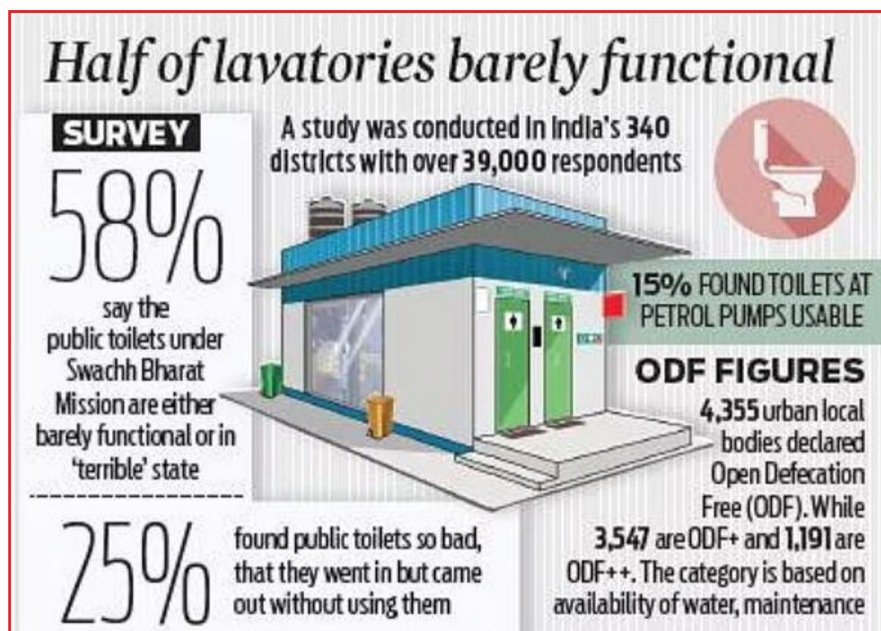
○ Sanitation and waste management in India are associated with the wide prevalence of caste. Historically, the subjugated castes have been forced to carry out sanitation work. The SBM tried to create a narrative that sanitation is everyone's job. Instead, it has ended up continuing the same old caste practices.

- The SBM is allegedly successful project; as no Opposition party or community has raised objections to it. While the entire project is governed and monitored by state agencies, the design makes it clear that large capital-intensive technologies are promoted. However, still those practices continue to hog the limelight.

➤ **No Universal Access to Toilets:**

○ The Union government claims that India is open defecation-free, but the reality is different. A **Comptroller and Auditor General** report in 2020 raised many questions about the government's claims over the success of the SBM on this front. It indicated the poor quality of construction of toilets under this scheme.

- A few urbanisation studies pointed out that in some metros, communities in slums still do not have access to public toilets. Even in rural India, toilet construction has not been linked to waste treatment.
- In peri-urban areas, the faecal sludge generated is tossed into the environment. Septic tanks are cleaned by manual scavengers and the sludge is thrown into various water systems.



➤ **Technology Not Acting as Alternative to Involvement of People:**

- One thing the government intended to do via SBM was to reduce the involvement of people in waste management by replacing them with large, capital-intensive technologies. However, these installations have refused to live up to their promoters' promises, leaving town after town screaming for resources to fix them and, importantly, respond to the health crises emerging from badly managed waste.
- Take, for example, solid and liquid waste management in cities. In most towns, the Union government is employing technological solutions in handling solid waste. Some of these solutions are in the form of **waste-to-energy plants** and biological methanation. But there are barely any success stories in either case.

➤ In this scenario, the governments outsourced most of the work to private players, who employed the same subjugated communities to handle waste.

➤ **Making Sanitation a Profit Entity:**

- City governments are being asked to buy more machines including road sweeping machines that cost no less than Rs. 1 crore, more vehicles to transport the waste from one corner to another with geo-tagging, and so on. Funds are made available to the city governments for such plans. However, all this work is being handed over to large contractors entering the city domains for making sanitation a profit entity.
- Most of the workers employed by these contractors are Dalits. Hence, a **scheme fully owned by the state has become a toolkit for the privatisation of public health services and continued caste discrimination.**

➤ **Lack of Sanitation Inspectors:**

- In March, 2024, in the Himachal Pradesh **High Court**, the Urban Development Department said that there are just five sanitation inspectors in the Shimla **Municipal Corporation**, which comprises 34 wards. Instead of recruiting more such inspectors, this cadre is being declared dead after they retire.
- In a State where there are more than 50 municipal bodies, there are only 20 sanitation inspectors, which means that there are some municipalities that have no sanitation inspectors.

➤ **Lack of Water Supply:**

- Infrastructures for toilet are important, but cannot alone stand as pre-requisite to interrupt fecal-oral transmission of pathogens. In rural areas, lack of water supply is a key issue, only 42.5% of households had access to water for use in toilets, which increase toilet nonusage rates.
- Other challenges such as improper fecal sludge management, inappropriate toilet technologies, and inadequate human resources persist that endanger in achieving sanitation coverage in rural areas.

➤ **Open Defecation as a Habit Among Children:**

- Data suggest that open defecation has decreased by 12% from 2015 to 2019, which means that nearly half of the rural population still defecates in the open. Open defecation is traditional behavior in rural India and people perceive it to be healthier, cleaner, and sometimes "religiously acceptable."
- This issue of open defecation is of greater concern and worrisome because government studies indicate, the proportion of children below 15 years of old is practicing open defecation more frequently than other age groups.

➤ **Challenges in Richer States:**

- Despite progress, wealthier states showed mixed performance and smaller gains in toilet use compared to economically poorer states, highlighting the need for tailored strategies in different socio-economic contexts.

- States like Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, and Gujarat showed smaller progress in regular toilet use compared to economically disadvantaged states, indicating that the program did not have the same impact across all states.

What are the Various Ways to Improve the Effectiveness of SBM ?

➤ **Focussing on Vulnerable Sections:**

- While, India has made substantial progress in sanitation coverage, some individuals, households, and community belonging to disadvantage sections of the society such as female-headed household, landless people, migrant laborers, and disable people-still do not have toilets in their home or find the existing toilets not accessible.
 - It is crucial to support these un-served populations both from human rights and public health perspectives because these marginalized sections are already without access to basic services and experience various health issues.

➤ **Integration With Public Health Infrastructure:**

- Educational institutions, child-care centers, hospitals, and other government facilities need further development in sanitation practices. Sanitation coverage disaggregated data in public facilities and among the government departments requires innovation to make it a long lasting and feasible option, which will be vital in public health infrastructure.

➤ **Promoting Adequate Behavioural Change:**

- For India to realize in achieving sustainable development goal 6 (SDG), i.e., “ensure access to water and sanitation for all” by 2030, a number of factors needs to be considered. Country like India, which is vast in her diversity, culture, and population, where 60% of total population resides in rural areas, only access to toilet does not ensure hygienic and safe sanitation practices.
 - For instance, lesson from the India’s first sanitation program “Central Rural Sanitation Programme” launched in 1986, stated that only toilet construction did not translate to usage of toilets.
 - This program focused on the household toilets construction and promotion of the pour-flush toilets. However, this program lacks the focus on behavior change toward toilet use that led failure of the program. Therefore, promoting behaviourally sound practices are an urgent imperative.

➤ **Following the Holistic Path:**

- SBM must learn to resolve these issues by capitalizing political support, to pay subsidies directly to households through e-banking, strengthening monitoring system through technological platform and broadcasting the success of the program.

- Moreover, it should also focus to promote objectives through information, education, and communication campaign and to provide individual toilet facilities in all households to achieve the goal of ODF by October 2, 2019 – to honor the 150th birthday of Mahatma Gandhi.

➤ **Improving Sewer Infrastructure in Village Areas:**

- The absence of proper sewage systems probed a severe challenge when it came to implementation of Swachh Bharat Abhiyan Gramin scale. As the population went out to defecate, the areas lacked a working sewage system to treat the generated sewage.
 - Thus before constructing toilets, the government also had to address this problem. The village and rural segments also need to be integrated into the AMRUT programme of the government.

➤ **Robust Waste Management Systems:**

- With pollution levels in cities growing and the overflowing of landfills, there is an urgent requirement to reinvent garbage management in cities so that waste is fully processed and not landfilled.
 - The ministry should take steps to scale up waste processing in all states that are lagging behind and emphasise on segregation at source, primary collection, secondary storage, transportation, secondary segregation, resource recovery, processing, treatment and final disposal of solid waste to achieve 100% solid waste management in the country.

➤ **Supplementing Urban Local Bodies:**

- The strategies for providing basic services to the urban areas should be intensified and efforts should be made to improve the on-ground implementation of these schemes. Urban local bodies in India, which lack critically in infrastructure and capability, should be provided support and equipped with better resources and avenues to enhance citizen participation in the management of urban areas.

➤ **Addressing the Tax Burden:**

- While the focus of the government should be on ensuring that maximum waste in the country is

processed, the increased tax burden under the **Goods and Service Tax (GST)** regime on the recycling and composting industry is not aligned with this 'noble' mission.

- The increased tax slabs for recyclables is killing the recycling sector. The composting machines are now attracting 12% tax against the 8% previously. While on one hand, the government is trying to promote city compost, imposing 5% GST will have a negative impact on its production and promotion. Therefore, the GST rate should be rationalized to achieve the long term goals.

➤ **Adoption and Integration of Technologies:**

- The e-Governance Solutions need to be incorporated including Mobile Apps, MIS, dashboards APIs, developed by the National Informatics Centre (NIC), aim to track the progress of ODF Plus progress in different states.
- SBM-G e-governance solution should be a Robust, Interoperable, Scalable, Secure and Role-based system that enables user to enter all the assets of solid and liquid along with geo coordinates using mobile app.

Conclusion

No doubt, India has made rapid progress to achieve the SDG 6 by increasing nationwide toilet access under SBM. At the same time, India must scrutinize its success within the framework of environment safety and fecal-oral transmission of disease that help, especially to children to spend their childhood free from malnourishment or premature death. By doing so, and by responding to the complexities of SBM identified, will show India and other countries, the pathways of full-filling the sanitation agendas, by achieving universal sanitation for all and to meet the SDGs targets and objectives.



West Asia: A Heavily Militarised Region

*This editorial is based on "**Tensions grows in west asia, a heavily militarised region**" which was published in The Hindu on 25/04/2024. The article talks about the report of Stockholm International Peace Research Institute that West Asia is among the most heavily militarized regions globally, with four of the top 10 arms importers located there.*

Tag: GS Paper - 2, Bilateral Groupings & Agreements, Groupings & Agreements Involving India and/or Affecting India's Interests, Effect of Policies and Politics of Countries on India's Interest, International Treaties & Agreements.

Tensions are escalating in West Asia, a region heavily reliant on militarization and accounting for **30% of global arms imports**. Despite being a major supplier of extractive resources for global energy consumption, West Asia faces increasing instability due to various conflicts.

The Israel-Gaza conflict, hostilities between Iran and Israel, and ongoing attacks involving Iran-backed militias from Lebanon and Yemen are exacerbating tensions.

According to the **Stockholm International Peace Research Institute**, West Asia is among the **most heavily militarized** regions globally, with four of the top 10 arms importers located there. The United States is the primary arms supplier to the region. This militarization has turned West Asia into a potential powder keg.

What are the Reasons behind Recent West Asia Turmoil?

- Israel launched its war on Gaza, **Hezbollah (the Lebanese Shia group) that Iran backs, fired rockets at Israeli forces in the Shebaa Farms**, an Israeli-controlled territory that Lebanon claims as its own, in solidarity with the Palestinians.
- **Arab countries, too, were upset with Israel's indiscriminate bombing** and stuck to the path of diplomacy to put pressure on the Jewish state.
 - Iran-backed militias also opened new fronts against Israel.
- **Houthi, the Shia militias of Yemen**, started attacking commercial vessels in the Red Sea in mid-November in "solidarity with the Palestinians."
 - They forced several shipping giants to suspend operations in the Red Sea, which connects the **Mediterranean Sea with the Arabian Sea (and the Indian Ocean) through the Suez Canal and the Bab el-Mandeb Strait**.
- Israel has carried out **multiple strikes inside Syria and Lebanon, killing Hamas, Hezbollah and Iranian commanders**.
- Iran carried out strikes on January 16 in Iraq's Kurdistan, Syria and Pakistan, claiming to have hit a Mossad operational centre and Sunni Islamist militants.
- West Asia's military expenditure as a **share of GDP remains high**, with countries like **Saudi Arabia, Qatar, Jordan, Oman, Kuwait**, and Israel consistently allocating significant portions of their GDP to defense.
- Additionally, the region has the highest proportion of its labor force employed in the military compared to other regions.

Table 1: United States has been the main supplier of arms to the West Asian countries. Numbers in %

Recipient	Top supplier	Second	Third
Qatar	U.S. (49)	U.K. (26)	Italy (21)
S. Arabia	U.S. (72)	Spain (15)	France (6.5)
Turkey	Spain (51)	Germany (31)	U.S. (11)
UAE	U.S. (55)	France (27)	Turkey (12)
Israel	U.S. (53)	Germany (47)	Italy (0.6)
Kuwait	Italy (94)	U.S. (6.0)	-
Bahrain	U.S. (100)	-	-
Iran	Russia (100)	-	-

While most of these countries are sourcing their military supplies from the U.S. and Europe, Iran is entirely dependent on Russia

Chart 2: The chart shows the region-wise military expenditure as a share of their GDP. West Asia and North Africa have been consistently leading all regions for over three decades

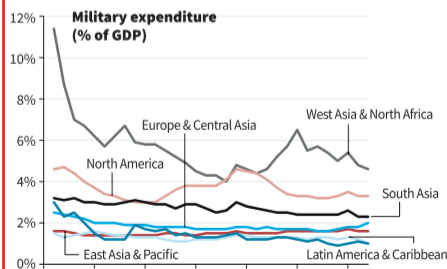


Chart 3: The chart shows the military expenditure as a share of a country's GDP in the West Asian region. Saudi Arabia, Qatar and Oman lead in this measure in the region

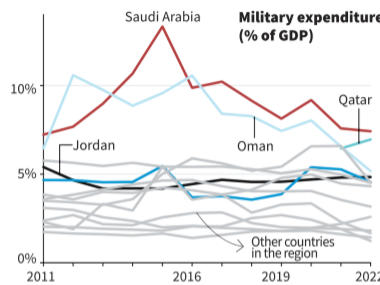
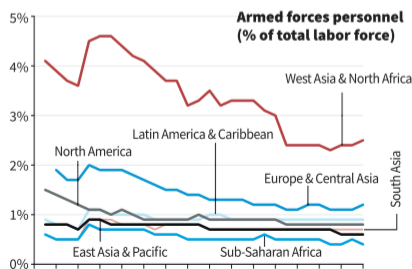


Chart 4: The chart shows the share of the labour force employed in the armed forces. The West Asian and North African region leads in this measure



What is the Historical background behind West Asian Conflict?

- **Ottoman Empire's Influence:** Western Asia was largely under the control of the Ottoman Empire from the **14th century AD until the early 20th century**.
 - The empire managed a diverse population with varying races, religions, and cultures through a successful administrative system.
- **Post-World War I Developments:** After World War I and the defeat of the Ottoman Empire, the region underwent significant changes. The victorious Allied powers, mainly Britain and France, divided the former Ottoman territories among themselves, often disregarding the wishes of the local Arab population.
 - This led to feelings of betrayal and resentment, particularly due to broken promises made in exchange for Arab support during the war.
- **Sykes-Picot Agreement:** The Sykes-Picot Agreement was a **1916 unofficial treaty** between the **United Kingdom and France, with assent from the Russian Empire and Italy**, to define their mutually agreed spheres of influence and control in an eventual partition of the Ottoman Empire.
 - The agreement effectively divided the Ottoman provinces outside the Arabian Peninsula into areas of British and French control and influence.
- **Balfour Declaration:** The Balfour Declaration was a public statement issued by the British government in **1917 during the First World War** announcing support for the establishment of a **"national home for the Jewish people" in Palestine**, then an Ottoman region with a small minority Jewish population. The declaration had many long-lasting consequences.
- **Creation of Israel :**
 - In 1917, during **world war I** The British government issued the **Balfour Declaration**, expressing support for the establishment of a "national home for the Jewish people" in Palestine.
 - After **World War II**, In 1947, the **United Nations** proposed a partition plan that would divide Palestine into separate Jewish and Arab states, with Jerusalem as an international city.
- In 1948, **Israel declared its independence**, leading to a war with neighboring Arab states..
- **Arab Israel War (1948):**
 - In 1948, the Jewish declaration of Israel's independence prompted surrounding Arab states to attack.
 - At the end of the war, Israel controlled about **50 % more territory than originally envisioned by the UN partition plan**.
- **The 1979 Revolution:**
 - A religious state was established in Iran after the Shah was overthrown in the **1979 Islamic Revolution**. The regime's view of Israel changed, and it was seen as an **occupier of Palestinian land**.
 - Israel's Iranian Supreme Leader **Ayatollah Khomeini** termed Israel **"Little Satan"** and the United States the **"Great Satan"**, seeing the two as parties interfering in the region.
- **A Shadow War after 1979:**
 - As a result, the ties between the countries worsened. While Israel and Iran have never engaged in direct military confrontation, both have attempted to inflict damage on the other through proxies and limited strategic attacks.
 - In the early 2010s, Israel targeted several facilities and nuclear scientists in a bid to prevent it from developing nuclear weapons.
 - In 2010, the US and Israel are believed to have developed **Stuxnet**, a malicious computer virus. It was aimed at attacking a uranium enrichment facility

at Iran's Natanz nuclear site and was the "first publicly known cyberattack on industrial machinery".

- Iran, meanwhile, is seen as responsible for funding and supporting several militant groups in the region that are anti-Israel and anti-US, such as Hezbollah in Lebanon and **Hamas** in the **Gaza Strip**.
- **Recent Developments:**
 - Iran's full-scale military **attack on Israel and Israel's continued actions in Gaza**, further contribute to the region's volatility.
 - The persistence of conflicts, including the **Yemeni civil war, the Lebanese political crisis, the Syrian civil war, and the Turkey-Cyprus conflict**, adds to the concerns of the international community.

Who are the Key Players and Their Divergent Objectives?

- **Israel:** Aims to dismantle Hamas, release hostages, and neutralize threats to its security.
 - Its military actions in Gaza and strikes in other regions reflect this objective.
- **Hamas:** Seeks to challenge Israeli policies and actions in Gaza and the West Bank.

- As a **Palestinian Islamist political organization and militant group**, it has been involved in long-standing conflict with Israel.

- **Iran:** Backs various anti-Israel non-state actors in **West Asia (Hamas, the Islamic Jihad, Hezbollah, Houthis or the Shia militias of Iraq and Syria)**
 - Iran aims to extend its influence in the region, often opposing U.S. and Israeli interests.
- **Hezbollah and Other Militias:** These groups, often backed by Iran, have engaged in the conflict, primarily in opposition to Israel and in support of Palestinian causes.
- **United States:** Supports Israel and seeks to maintain regional stability and protect its interests.
 - The U.S., which has a widespread military presence in the region and a diplomatic foothold, has three objectives —
 - To ensure the security of Israel
 - The security of America's troops and assets deployed in the region
 - The perseverance of the U.S.-led order in the region
- **Other Regional Actors:** Countries like Pakistan have their own strategic interests in the conflict, often influenced by **religious, political, and regional dynamics**.

Country	Ally/backing	Against
Israel	U.S.A	Iran, Hamas, Houthi, Hezbollah
Iran (Shia majority)	Houthi, Hamas, Hezbollah, Iran Revolutionary Guard, pro-Iran Shiia militants in Syria and Iraq	Israel, U.S.A, Islamic State (pro-Sunni), Jaish Al-Adl (pro-Sunni)

What are the Geopolitical Impact of the Conflicts in West?

- **Humanitarian Crisis:** Continued military actions risk significant civilian casualties and worsening humanitarian conditions, particularly in Gaza.
- **Regional Instability:** Prolonged conflict can destabilize the already volatile West Asian region, affecting neighboring countries, as the conflict persists, Israel's offensive in Gaza shows little sign of winding down, prompting continued attacks from **Hezbollah and the Houthis**.
- **Global Economic Impact:** Disruptions in major shipping routes (like the Red Sea) and oil supply can have global economic repercussions.
- **Spread of Extremism:** Ongoing conflict can fuel radicalization and give rise to extremist groups, further destabilizing the region.
- **International Relations:** The conflict strains diplomatic relations among global powers and regional states, complicating international efforts for peace and stability.
- **Security Breakdown:** Unlike past conflicts in West Asia, which often involved nation-states or state and non-state actors, the current crisis is marked by a widespread **security breakdown**.

What are the Possible Impacts on India?

- **Impact on Energy Security:** India's dependence on imported oil from West Asia makes it vulnerable to price volatility and supply disruptions.
 - The increasing competition for energy resources in West Asia can lead to higher prices and greater competition for supplies, making it more difficult for India to secure the energy it needs.
 - India is the world's third-largest consumer and importer of oil. More than 40% of India's oil comes from West Asia.
- **Indian Diaspora:** Indians are residing there in very large numbers and this turmoil can have impact on their wages and incomes.
 - **Remittances:** The non-resident Indians (NRIs) annually send home about USD40 billion, and account for more than 55% of the country's total remittance inflows.
 - As per the Reserve Bank of India (RBI), 82% of the total remittances received by India originated from seven West Asia countries: the United Arab Emirates (UAE), the United States (US), Saudi Arabia, Qatar, Kuwait, the United Kingdom, and Oman.
- **Trade and investment:** According to the UN Comtrade database, Iran and the GCC member states accounted for a 15.3% share of India's cumulative two-way merchandise trade from 2017 through 2021.

What is the India's Approach toward West Asia?

- **The Middle East Quad (I2U2) Initiative:** The idea behind I2U2 (India, Israel, the U.S. and the UAE) is to connect South Asia, the Middle East, and the United States for economic, technological, and diplomatic collaboration.
- **Medical Diplomacy:** Vaccine Maitri is a humanitarian initiative undertaken by the Indian government to provide COVID-19 vaccines to West Asia countries.
 - For Example: Saudi Arabia, were Bahrain beneficiaries of this initiative.
- **Downstream Projects:** India invited West Asia countries to invest in downstream projects in India's hydrocarbon sector.
 - The agreement on oil storage and management between Abu Dhabi National Oil Company and the Indian Strategic Petroleum Reserves Limited was signed in January 2017.

- It underscores that crude oil supply from UAE for the Mangalore cavern would be a significant transformational step in building a strategic partnership in the energy sector.
- **Strategic Partnership in Energy Sector:** Abu Dhabi awarded a major oil concession to an ONGC-led consortium from India in Lower Zakum.
 - A High-Level Ministerial Taskforce has been created in order to keep track of various high-level promises and agreements.
- **Tech Diplomacy:** India is taking the technological route in strengthening its relations with West Asian countries.
 - For example, The RuPay card, a key initiative by India in the digital payment system, was launched in Abu Dhabi.
- **Cultural Diplomacy:** India inaugurated the first Hindu temple in Dubai as a special gift to the Indian community by the UAE. Yoga, Bollywood, and Music are other dimensions of Soft Power.

What are the Approaches proposed to address the conflict?

- **Negotiations and Two-State Solution:** Many international actors have advocated for a negotiated **two-state solution**, where **Israel and Palestine** would coexist as independent states.
 - Negotiations would aim to establish clear borders, address issues like the status of Jerusalem, and provide security guarantees for both sides.
 - **The Oslo Accords:** Previous negotiations between Israel and the Palestine Liberation Organization (PLO) aimed at achieving a two-state solution.
 - Various peace plans proposed by international actors, such as the United States, the United Nations, and the Arab League.
- **Ceasefire and Humanitarian Assistance:** Immediate ceasefire agreements and humanitarian assistance to the people affected by the conflict can help alleviate suffering and create an environment for diplomatic solutions.
 - Temporary ceasefires brokered by Egypt, Qatar, and other regional actors to halt hostilities during periods of intense conflict.
 - International humanitarian organizations provide aid and support to affected populations in Gaza and the West Bank.
- **International Mediation:** Involvement of neutral international mediators or organizations, such as the United Nations, to facilitate negotiations and peace talks.



- **Addressing Core Issues:** Addressing the root causes of the conflict, such as land disputes, access to resources, and the rights of refugees, can contribute to long-term stability.
- **People-to-People Initiatives:** Encouraging dialogue and cooperation between Israelis and Palestinians at the grassroots level to build trust and understanding.
 - Organizations like Seeds of Peace and OneVoice that promote dialogue and cooperation between Israeli and Palestinian youth.
 - Joint Israeli-Palestinian ventures in business, education, and culture that foster cooperation.
- **Human Rights and International Law:** Ensuring that both parties respect international humanitarian law and human rights standards, and holding violators accountable.
 - International Criminal Court (ICC) investigations into alleged war crimes and human rights abuses in the region.
 - United Nations resolutions condemning illegal settlements and calling for respect of international law.
- **Regional Cooperation:** Involving regional actors and neighboring countries in peace efforts to create a more stable environment.
 - The Arab Peace Initiative, which offers normalization of relations between Israel and Arab states in exchange for a comprehensive peace agreement with the Palestinians.
 - Regional summits and initiatives aimed at promoting peace and stability in the Middle East.
- **Economic Development:** Supporting economic development in the region to improve living conditions and create opportunities for both Israelis and Palestinians.
 - The Palestinian Investment Promotion Agency (PIPA) and other organizations working to stimulate economic growth in the West Bank and Gaza.
 - International donor conferences to raise funds for infrastructure and economic development projects.
- **Security Measures:** Implementing measures to ensure the security of both Israelis and Palestinians, which may involve international peacekeeping forces.
 - United Nations peacekeeping missions, such as the United Nations Truce Supervision Organization (UNTSO), deployed in the region to monitor ceasefires.

- Border security arrangements and confidence-building measures to reduce violence.

➤ **Educational Initiatives:** Promoting education and awareness about the history and culture of both sides to foster understanding and tolerance.

- Educational programs that promote understanding and tolerance, such as the Hand in Hand bilingual schools in Israel.
- Cultural exchange initiatives and joint artistic projects.

Conclusion

It is highly unlikely that the conflicts raging now in Syria, Yemen and other parts of the Middle East will come to an end. It will take too much **diligent political manoeuvring** to bring all the parties to the **negotiation table**. Even initiatives such as the **West Asia Peace Plan** are self-serving at best as they only benefit one party by completely neglecting the other.

■■■

Winning Elections Without Any Opposition

This editorial is based on "**Questioning the polls 'rain washes out play' moments**" which was published in *The Hindu* on 26/04/2024. The article explores the election of a contesting candidate from Surat Lok Sabha constituency in Gujarat without any opposition and its implications for electoral and democratic processes nationwide.

Tag: GS Paper - 2, Constitutional Bodies, Transparency & Accountability, Constitutional Amendments, Representation of People's Act (RPA), 1951

The ruling party's candidate from the Surat **Lok Sabha** constituency in Gujarat has been declared elected

unopposed. This can happen when all other candidates withdraw their nominations or are disqualified, leaving only one candidate in the running. When this occurs, a single candidate is declared the winner without the need for a formal election. In such a scenario, there is a victor but there is no 'vanquished' party. There are only those who are ruled out under the Rules and those who decided to 'voluntarily' withdraw.

Getting elected unopposed is perfectly legal in the existing provisions of electoral laws and practice. One emerges as the unrivaled representative of the people without the people having chosen him/her because s/he is the only choice on the ballot. It is like achieving something without making the requisite effort. There have been at least 35 candidates who have been elected unopposed to the Lok Sabha. The majority of them were in the first two decades after independence with the last being in 2012.

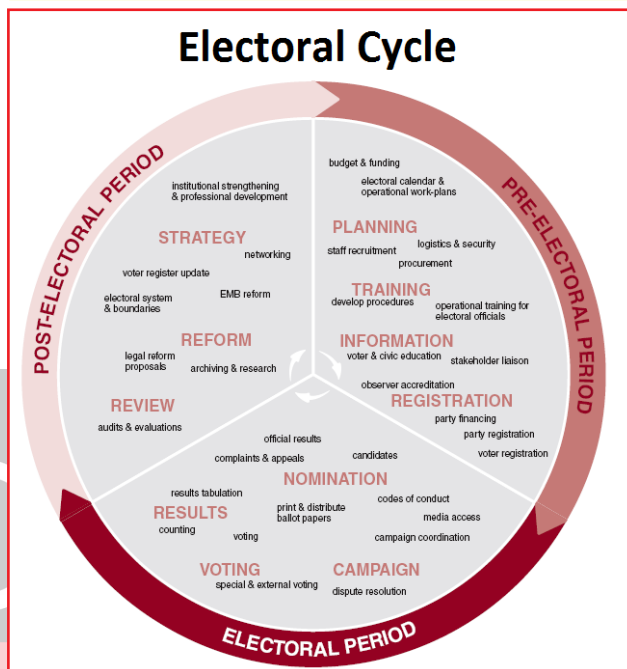
Rule 11 of the **Conduct of Election Rules 1961** says: "(1) The **returning officer (RO)** shall... cause a copy of the list of contesting candidates to be affixed in some conspicuous place in his office and where the number of contesting candidates is equal to, or less than, the number of seats to be filled, he shall, immediately after such affixation, declare under sub-section (2) or as the case may be, sub-section (3) of section 53 the result of the election in such one of the Forms 21 to 21B as may be appropriate...."

Note:

Conduct of Election Rules 1961:

- **Public Notice of Intended Election:** The public notice of an intended election referred to in section 31 shall be in Form 1 and shall, subject to any directions of the Election Commission, be published in such manner as the returning officer thinks fit.
- **Nomination Paper:** Every nomination paper presented under sub-section (1) of section 33 shall be completed in such one of the Forms 2A to 2E as may be appropriate:
 - Provided that a failure to complete or defect in completing, the declaration as to symbols in a nomination paper in Form 2A or Form 2B shall not be deemed to be a defect of a substantial character within the meaning of subsection (4) of section 36.
- **Form of Affidavit to be Filed at the Time of Delivering Nomination Paper:** The candidate or his proposer, as the case may be, shall, at the time of delivering to the returning officer the nomination paper under subsection (1) of section 33 of the Act, also deliver to him an affidavit sworn by the candidate before a Magistrate of the first class or a Notary in Form 26.

- **Symbols for Elections in Parliamentary and Assembly Constituencies:** The **Election Commission** shall, by notification in the Gazette of India, and in the Official Gazette of each State, specify the symbols that may be chosen by candidates at elections in **parliamentary** or **assembly constituencies** and the restrictions to which their choice shall be subject.



What is the Current Issue?

- **Opposition to Opposite Party's Candidate's Nomination:**
 - In the present case, the candidate of the opposition party for the Surat constituency, had filed three sets of nomination papers. The proposers for these three nomination papers were his brother-in-law, nephew, and business partner. A ruling party's worker objected to the opposite candidate's nomination alleging that the signatures of his proposers were not genuine.
- **Rejection of the Nomination Papers:**
 - The RO also received affidavits from the proposers claiming that they had not signed the nomination papers of the candidate. Reply/Clarification was sought from the candidate within a day on the objections raised. As the proposers could not be produced before the RO within the stipulated time for scrutiny, all three sets of nomination papers were rejected.

Note:

Returning Officers:

- Returning Officers (ROs) are responsible for overseeing the conduct of elections in a particular

constituency. They are appointed by the Election Commission of India (ECI) and play a crucial role in the electoral process.

- Their duties include accepting nominations from candidates, scrutinizing nomination papers, allotting symbols to candidates, conducting the polling process, and counting votes. ROs ensure that elections are conducted fairly, impartially, and in accordance with the law.

➤ **Nomination Papers of Others Also Rejected:**

- The election rules allow for a substitute candidate to be fielded by a political party. The nomination of this substitute candidate would be accepted if the nomination of the original candidate is rejected. In this case, the opposition party had fielded its substitute candidate.
 - However, the nomination paper of the substitute candidate was also rejected for the same reason, that is of the proposer's signature not being genuine. The other nominations were either rejected or withdrawn paving the way for ruling party's candidate to be declared winner.

What is the Law for Nomination in India?

➤ **Section 33 of RPA, 1951:**

- Section 33 of the **Representation of the People Act, 1951 (RP Act)** contains the requirements for a valid nomination. As per the RP Act, an elector above 25 years of age can contest Lok Sabha election from any constituency in India.

➤ **Proposers for Recognised Political Parties:**

- The proposer(s) of the candidate should however be elector(s) from that respective constituency where the nomination is being filed. In case of a recognised party (national or State), the candidate needs to have one proposer.

➤ **Proposers for Unrecognised Political Parties:**

- Candidates set up by unrecognised parties and independents need to be subscribed by ten proposers. A candidate can file up to four nomination papers with different set of proposers. This is to enable the acceptance of nomination of a candidate even if one set of nomination paper is in order.

➤ **Scrutiny of Nomination Papers:**

- Section 36 of the RP Act sets out the law with respect to the scrutiny of nomination papers by the Returning Officer (RO). It provides that the RO shall not reject any nomination for a defect that is not of a substantial character.

- However, it specifies that signature of the candidate or proposer found not genuine is grounds for rejection.

What are the Various Issues Prevalent in the Unopposed Election of Candidates?

➤ **Concerns for NOTA Voters:**

- The question being raised is that this process does not allow electors to exercise the **None of the Above (NOTA)** option. The NOTA option was not originally provided for in law but incorporated on court directions to 'enlighten' political parties and candidates about what some people thought of them.
- That NOTA does not impact the election process in any way might sound insulting to those who think that way. The pity is that it does not even seem to affect political parties in any way whatsoever.
 - Thus, what was conceived to be a progressive reform to influence the political culture hangs over the system in a manner that undermines its legitimacy.

➤ **Learnings from the General Financial Rules (GFRs):**

- General Financial Rules (GFRs), which is a compilation of rules and orders of Government of India to be followed by all while dealing with matters involving public finances speak about "a fair, transparent and reasonable procedure" for public procurement.
 - Rule 166, for instance, provides for a 'Single Tender Enquiry' that can be resorted to if the supplier is the original manufacturer, or in case of an emergency, or if there is a technical necessity for standardisation purpose.
- However, it does say in Rule 173(20) that lack of competition "shall not be determined solely on the basis of the number of bidders. Even when only one bid is submitted, the process may be considered valid provided the procurement was satisfactorily advertised and sufficient time was given for submission of bids, the qualification criteria were not unduly restrictive, and prices are reasonable in comparison to market values".

➤ **Undermining the Relevance of Voters:**

- In a sense, the "elector" (defined in the RPA as "a person whose name is entered in the electoral roll of that constituency for the time being in force and who is not subject to any of the disqualifications") is completely excluded from the process of choosing his representative.

- A person who does not have even a single vote would sit in Parliament to legislate on behalf of the entire constituency. This is dichotomy that the present electoral process creates. It is designed to be pragmatic even if it appears not entirely fair. Unless there is a conflicting demand on their vote, the voters' choice is presumed because they have no choice.

➤ **Assessing the Extreme Situation:**

- In an extreme situation, all the candidates in 543 parliamentary constituencies (even if they are 10,000 representing different political parties or independents) could game the system and deny a billion electors their statutory right by complying with the process but seriously wounding the spirit of democracy.
- It could be argued that voters could also be denied their right if there are no candidates to contest. The democratic process is fulfilled only when there is interest among the contestants and the voters. Someone has to seek ones vote for it to be cast.

➤ **Ambiguous Provision Under Section 65, RP Act, 1951:**

- The system is weighed in favour of the contesting candidates because the RPA provides that a complete boycott will be treated as everyone receiving zero vote and covered under Section 65 which deals with 'Equality of votes'.
- It reads thus: "If, after the counting of the votes is completed, an equality of votes is found to exist between any candidates, and the addition of one vote will entitle any of those candidates to be declared elected, the RO shall forthwith decide between those candidates by lot, and proceed as if the candidate on whom the lot falls had received an additional vote".
- The will of the people is replaced by the expediency of the system in identifying who will represent the people who did not participate in the process. It is unavoidable considering that democracy is defined as a "government of the people, by the people and for the people".

What are the Different Recourses Available Against Rejection of Nomination Papers?

➤ **Exploring Election Tribunal Options:**

- RP Act, 1951 establishes Election Tribunals to resolve such disputes. Section 100 of the Act outlines the grounds for declaring a candidate's election void. Parties dissatisfied with the Election Tribunal's decision can appeal to the High Court and ultimately to the **Supreme Court**. The

Supreme Court has established significant precedents regarding election disputes through its judgments.

➤ **Taking Recourse to Article 329 Read With RP Act, 1951:**

- **Article 329(b)** of the Constitution read with RP Act, 1951 provides that no election shall be called into question except by an election petition before the concerned **High Court**. One of the grounds on which such an election petition can be filed is improper rejection of nomination papers.
- Hence, the legal recourse available is to file an election petition in the Gujarat High Court. The RP Act provides that High Courts shall endeavour to conclude such trials within six months, which has mostly not been followed in the past. Speedy disposal of election petitions would be a step in the right direction.

Note:

Article 329 in Indian Constitution-Bar to Interference by Courts in Electoral Matters:

- (a) Notwithstanding anything in this Constitution the validity of any law relating to the delimitation of constituencies or the allotment of seats to such constituencies, made or purporting to be made under article 327 or article 328, shall not be called in question in any court;
- (b) No election to either House of Parliament or to the House or either House of the Legislature of a State shall be called in question except by an election petition presented to such authority and in such manner as may be provided for by or under any law made by the appropriate Legislature.

Trial of Election Petition- Section 86 of RP Act, 1951:

- As soon as may be after an election petition has been presented to the High Court, it shall be referred to the Judge or one of the Judges who has or have been assigned by the **Chief Justice** for the trial of election petitions under sub-section (2) of section 80A.
- The trial of an election petition shall, so far as is practicable consistently with the interests of justice in respect of the trial, be continued from day to day until its conclusion, unless the High Court finds the adjournment of the trial beyond the following day to be necessary for reasons to be recorded.
- Every election petition shall be tried as expeditiously as possible and endeavour shall be made to conclude the trial within six months from the date on which the election petition is presented to the High Court for trial.

➤ **Moving to Supreme Court:**

- The aggrieved party can file an appeal to the **Supreme Court** within 30 days from the order of the High Court:
 - In the case of **Jagan Nath v. Jaswant Singh, 1954**, a significant ruling on election disputes, the Supreme Court established that the burden of proving that a candidate's election has been significantly impacted by corrupt practices lies with the petitioner. The court also clarified that an election petition's scope is confined to the grounds outlined in Section 100 of the RP Act, 1951.
 - In **Mohinder Singh Gill v. Chief Election Commissioner (1978)**, the Supreme Court ruled that elections must be conducted fairly, and any violation of this principle would nullify the election. The court also affirmed that the election tribunal can investigate allegations of corrupt practices, even if not explicitly raised in the election petition.

➤ **Amending the First-Past-the-Post-System (FPTPS):**

- The RPA, 1951 provides for issuing another notification if there are no candidates filing their nomination the first time but is silent if the same thing is repeated thereafter. However, it has a solution by completely excluding people if they abstain from elections and are deprived from the NOTA option because NOTA has no significance in the democratic exercise.
- Candidates can nullify the process but people collectively cannot. There must be consideration for amending the **first-past-the-post system** by introducing a minimum percentage of votes for the winning candidates to be declared.
- Similarly, if no candidate offers herself for elections the second time, that seat should be transferred to the nominated category where the **President of India** can nominate a person as per prescribed qualifications without consulting the government.

Conclusion

Ensuring a fair and transparent electoral process in India is crucial for upholding democratic principles, a goal compromised when candidates are declared elected without any opposition. Through comprehensive legal frameworks, robust institutions, and active citizen participation, India can strive towards elections that are free from malpractice and manipulation. It is imperative for all stakeholders, including political parties, electoral authorities, and the judiciary, to collaborate in maintaining

the integrity of the electoral process. By upholding the values of fairness, transparency, and accountability, India can strengthen its democratic foundation and ensure that the voice of the people remains the cornerstone of governance.



Safeguarding the Rights of Elderly

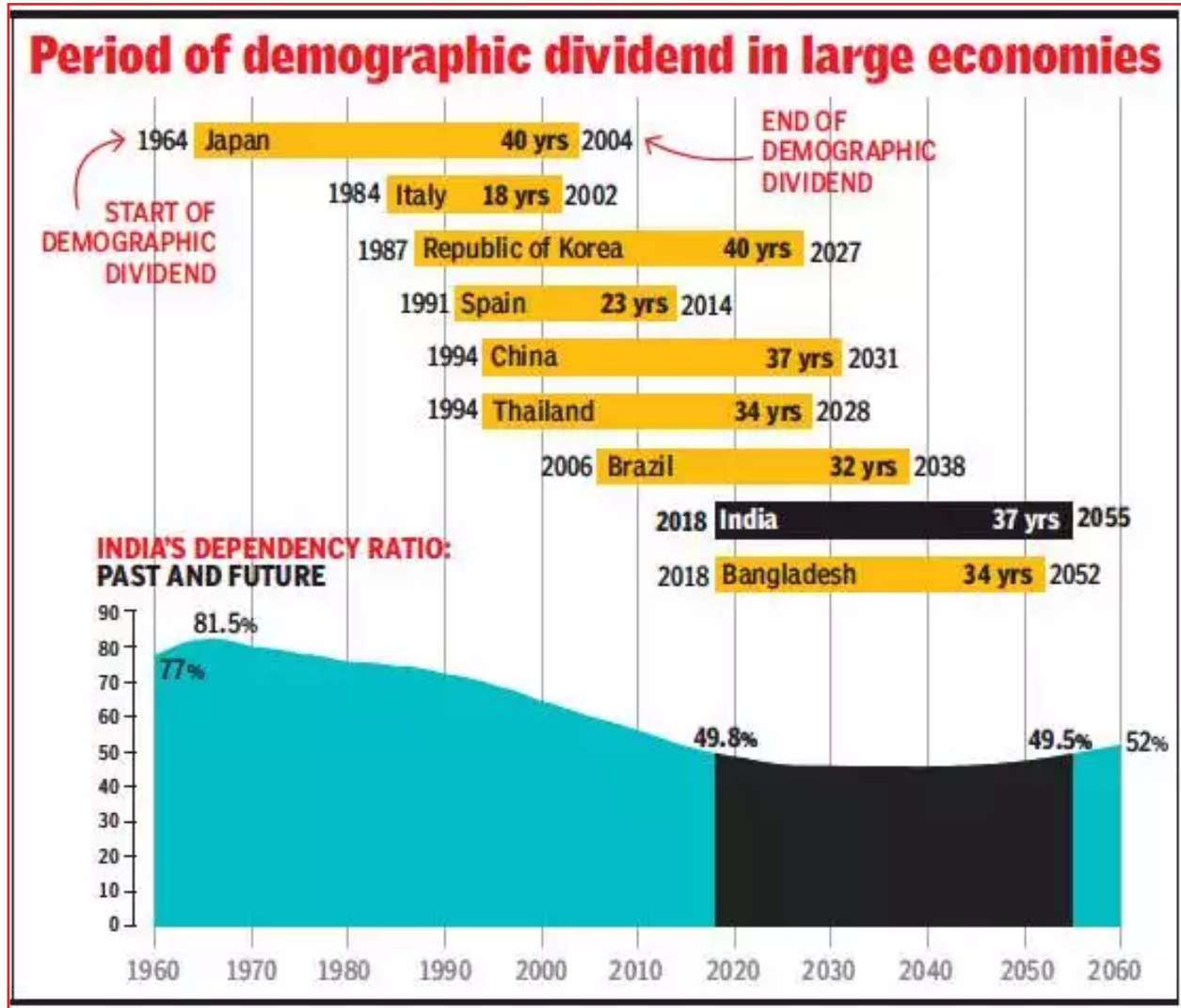
This editorial is based on "**For Future Ready Seniors**" which was published in **Indian Express** on 29/04/2024. The article discusses how the needs of the elderly population are being overshadowed by the focus on the demographic dividend. It argues that policymakers should proactively address the challenges posed by an ageing population and establish guidelines for home-based care.

Tag: GS Paper - 2, Government Policies & Interventions, Issues Related to Elderly, Human Resource.

Lost in the din about India's **demographic dividend** is the silently rising population of older people in the country. According to the **United Nations Population Fund**, the number of persons above 60 years is set to more than double from 100 million in 2011 to 230 million in 2036, making up nearly 15% of the total population. This is projected to further rise to 319 million by 2050, nearly one-fifth of the total population. India is supposedly held to be going through the third phase of demographic transition model.

Declining fertility rates and increasing life span are driving this transition. The average household size in India has reduced from 5.94 in 2011 to 3.54 in 2021. Households with smaller families and a growing number of older people, who may suffer from chronic illnesses, call for a reset of the health and social care system. Care for seniors at home is a growing concern as it oscillates between social care and health care, often blurring lines between the two. The changing family structure is paving the way for external assistance in caring for older people at home.

Life expectancy in India has more than doubled since Independence from around 32 years in the late 1940s to 70 years or so today. Many countries have done even better, but this is still a historical achievement. Over the same period, the fertility rate has declined from about six children per woman to just two, liberating women from the shackles of repeated child-bearing and child care. All this is good news, but it also creates a new challenge —the ageing of the population and increasing Elderly Dependency Ratio.



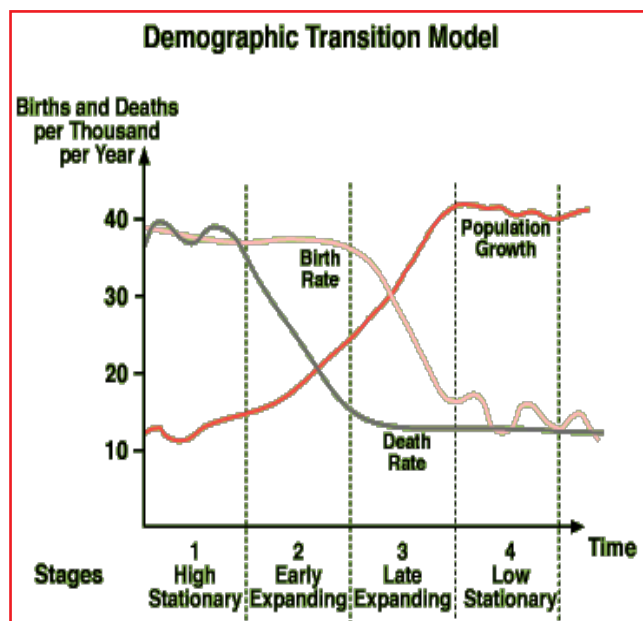
What is Dependency Ratio?

➤ About:

- The dependency ratio is a demographic indicator that measures the ratio of the dependent population (those typically not in the workforce, such as children and the elderly) to the working-age population (those usually in the workforce). It provides insights into the level of economic burden placed on the working population to support dependents.

➤ Types of Dependency Ratios:

- **Youth Dependency Ratio:** This ratio compares the population aged 0-14 (considered dependent) to the population aged 15-64 (considered working-age). It reflects the proportion of children that the working-age population must support.
 - **Formula:** $(\text{Population aged 0-14} / \text{Population aged 15-64}) \times 100$
- **Elderly Dependency Ratio:** This ratio compares the population aged 65 and above (considered dependent) to the population aged 15-64 (considered working-age). It indicates the proportion of elderly individuals that the working-age population must support.
 - **Formula:** $(\text{Population aged 65+} / \text{Population aged 15-64}) \times 100$
- **Total Dependency Ratio:** This ratio combines the youth and elderly dependency ratios to provide an overall measure of the dependency burden on the working-age population.
 - **Formula:** $(\text{Population aged 0-14} + \text{Population aged 65+}) / (\text{Population aged 15-64}) \times 100$



What are the Various Challenges Associated with Elderly population in India?

➤ Changing Healthcare Needs:

- In a demographic where the growth rate of elders far exceeds that of the young, the biggest challenge is to provide a range of quality, affordable, and accessible health and care services to the elderly. They require an array of specialised medical services at home including tele or home consultations, physiotherapy and rehabilitation services, mental health counselling and treatment, as well as pharmaceutical and diagnostic services.

➤ Low HAQ Score of India:

- As per the 2016 Healthcare Access and Quality (HAQ) Index, India (at 41.2) is still significantly below the global average of 54 points, ranking 145 out of 195 countries. The low HAQ worsens even further in smaller cities and rural areas where basic quality health-care services are very inadequate.

➤ Social Issues:

- Factors such as familial neglect, low education levels, socio-cultural beliefs and stigma, low trust on institutionalised health-care services etc. exacerbate the situation for the elders.
 - Inequity in access to facilities compounds the problems for the elderly, who are already, physically, financially and at times psychologically restricted in understanding, and availing such facilities. Consequently, most of them live their years in neglect.

➤ Vicious Cycle of Health, Economy and Unproductivity:

- An overwhelming proportion of the elders are

from the lower socio-economic strata. The vicious cycle of poor health and unaffordable health costs is further accelerated by their inability to earn a livelihood. As a result, not only are they economically unproductive but it also adds to their mental and emotional problems.

➤ Inadequate Welfare Schemes:

- Despite **Ayushman Bharat** and public health insurance schemes, a **NITI Aayog** report indicates that 400 million Indians do not have any financial cover for health expenses. Despite the presence of pension schemes at centre and state level, a mere pittance as low as ₹350 to ₹400 a month is provided in some states which too is not universal.

➤ Issues against Reskilling:

- Ensuring proper technology, facilities etc for reskilling the elderly population at a large scale is a challenge. For instance, armies have an excellently systematised way to integrate the retired officers into the civilian setup. However, reskilling as a part of the system is quite a large task and is possible only in a few areas.

➤ Feminization of Ageing:

- One of the emerging issues of population ageing is the "Feminization of Ageing", that is many more women than men reaching older ages. **Census of India** shows that the sex ratio of the elderly was considerably high (1028) in 1951 and subsequently dropped to about 938 in 1971, but finally increased up to 1033 in 2011.

➤ Lack of Access to Supportive Resources:

- In the recent past, more and more elderly people are living alone thus giving rise to the need for senior-citizen housing and development of security gadgets and health devices for them. All of these initiatives are coming from the startup sector. However, there is a large segment of the elderly population that lies in the poor category and is most likely left out of the ambit of these facilities.

What are the Legal Provisions Related to Elderly Population?

- **Article 41** and **Article 46** are the constitutional provisions for elderly persons. Although **directive principles** are not enforceable under the law, but it creates a positive obligation towards the state while making any law.

Section 20 of Hindu Marriage and Adoption Act, 1956 makes it obligatory provisions to maintain an aged parents.

- Under Section 125 of **Criminal Procedure Code**, the elder parents can claim maintenance from their children.
- The Maintenance and Welfare of Parents and Senior Citizens Act, 2007, seeks to make it legal for the children or heirs to maintain their parents or senior citizens of the family.

Note:

- Convention on the Rights of Older Persons is proposed in the **United Nations**.
- In 1982, the **Report of the World Assembly on Ageing** (also known as “the International Plan on Ageing”) was published, which represented the first international debate on the rights of older persons and presented a plan for their implementation.
- The **United Nations Population Fund** were tasked with implementing the Plan of the Second World Assembly which adopted “Madrid International Plan” on ageing in 2002.

What are the Various Aspects of Home-Based Care for Elderly Population?

- **Scope:**
 - The scope of services provided at home has expanded from assistance with activities of daily living to routine nursing care as well as specialised care. According to a NITI Aayog report, healthcare offered at home can replace up to 65% of unnecessary hospital visits and reduce hospital costs by 20%.
- **Concerns:**
 - Care practices at home are not well-defined and standardised. Caregivers who are well-trained and possess an empathetic outlook are in short supply, and often complain of being mistreated by families. There are no specific grievance redressal mechanisms for either the users or the caregivers.
 - Furthermore, the cost of hiring a caregiver at home is substantial. Currently, it is the private, for-profit sector that offers the bulk of these services. Market estimates project the home-based care industry to grow at a rate of 15-19% annually, from nearly USD 6-7 billion in 2021 to USD 21 billion by 2027.
- **Suggestions:**
 - **First and foremost**, recognise “home” as a place for providing care and as a “place of work” for caregivers. This has implications for the rights and safety of both users and providers. The **Insurance Regulatory and Development Authority of India (IRDAI)** recognises hospitalisation at home in certain conditions.

- **Secondly**, care at home is a different proposition than in an institution like a hospital or an old-age home. The terms of engagement and treatment protocols must be tailored to the home environment.
- **Thirdly**, to meet the growing demand for trained caregivers, streamline their vocational training, nomenclature, roles, and career progression.
- **Finally**, all this ought to be brought together under a comprehensive policy on home-based care, incorporating aspects such as a registry of providers of such services; ensuring transparency and accountability; establishing grievance redressal mechanisms; and insurance coverage, among others.

What are the Various Steps to be Taken to Alleviate the Concerns of Elderly Population?

- **Protection from Destitution:**
 - The first step towards a dignified life for the elderly is to protect them from destitution and all the deprivations that may come with it. Cash in the form of a pension can help to cope with many health issues and avoid loneliness as well. That is why old-age pensions are a vital part of social security systems around the world.
 - Another critical area would be bringing reforms in the social security pensions. They also need other support and facilities such as health care, disability aids, assistance with daily tasks, recreation opportunities and a good social life.
- **Emulating the Frontrunners:**
 - The southern States and India’s poorer States such as **Odisha and Rajasthan** have achieved near-universal social security pensions. Their actions are worth emulating. It would be much easier for all States to do the same if the central government were to revamp the **National Social Assistance Programme (NSAP)**.
- **Transparent “Exclusion Criteria”:**
 - A better approach is to consider all widows and elderly or disabled persons as eligible, subject to simple and transparent “exclusion criteria”. Eligibility can even be self-declared, with the burden of time-bound verification being placed on the local administration or gram panchayat.
 - Although there are chances of privileged households taking the advantage, it is much preferable to accommodate some inclusion errors than to perpetuate the massive exclusion errors as is the case today.

➤ Recognising Concerns of Elderly Women:

- The policy should also take cognisance of the fact that women, in India, on average outlive men by three years. The **sex ratio** of older people is projected to increase to 1060 by 2026. Since women in India are usually younger than their husbands, they often spend their later years as widows.

- Therefore, the policy should particularly cater to the more vulnerable and dependent older single women so that they can live respectable and independent lives.

➤ Passing Maintenance and Welfare of Parents and Senior Citizens (Amendment) Bill, 2019:

- The Ministry of Health and Family Welfare (MoHFW), Ministry of Social Justice and Empowerment (MSJE) and Ministry of Skill Development and Entrepreneurship (MSDE) have a pivotal role to play in the matter. Greater collaboration between them could get the ball rolling on the required reforms.
- **The Maintenance and Welfare of Parents and Senior Citizens (Amendment) Bill, 2019**, seeks to regulate home-based care for older people. It proposes the registration of institutions providing home care services and prescribing minimum standards for them. However, it has not been passed since being introduced in Parliament in 2019.

➤ Policy Interventions:

- It is crucial to have a robust public policy to support homes for the elderly. These old age homes must be guided by policy interventions to make their facilities, buildings and social environment elderly-friendly. Design, architecture and civic facilities must be thought from the ground up — and these innovations must be available for all residents, not just those living in expensive ones.

➤ Building Elderly Inclusive Society:

- One of the effective ways of ensuring proper health facilities to all the elderly in the **Old-Age-Homes (OAHs)** is to ensure a lesser number of the elderly people in these homes. Elderly are an asset to the society and not a liability, the best way of taking advantage of this asset is by assimilating them into the mainstream population rather than isolating them in old age homes.

What are the Various Initiatives Taken for the Welfare of Elderly Population?

➤ Initiatives Taken at Global Level:

- **Vienna International Plan of Action**

- **United Nations Principles for Older Persons**

- **2021-2030 as the 'Decade of Healthy Ageing'**

- The **2030 Agenda for Sustainable Development** calls for leaving no one behind and for ensuring that the **Sustainable Development Goals (SDGs)** are met for all segments of society, at all ages, with a particular focus on the most vulnerable—including older persons.

➤ Initiatives Taken by Indian Government:

- **SACRED Portal**
- **SAGE (Seniorcare Aging Growth Engine)**
- **Elder Line**
- **Integrated Programme for Older Persons (IPOP)**
- **Rashtriya Vayoshri Yojana (RVY)**
- **Indira Gandhi National Old Age Pension Scheme (IGNOAPS)**
- **The Pradhan Mantri Vaya Vandana Yojana**
- **Vayoshreshtha Samman**
- **Maintenance and Welfare of Parents and Senior Citizens (MWPSC) Act, 2007**

Conclusion

While the emphasis on making India's youth population "future ready" is welcome, it should not overshadow an equally critical group that needs attention. The experience of countries like Japan shows that systems to care for older people are essential for the younger population to contribute to the country's economy. Besides, it is a society's moral and ethical responsibility to care for its people beyond their prime, reciprocating their lifetime of physical, social, emotional, and economic investment in the society.

For the welfare and care for the older persons, we must focus on the protection of already existing social support systems/traditional social institutions such as family and kinship, neighborhood bonding, community bonding and community participation must be revived and kins should show sensitivity towards elderly citizens.



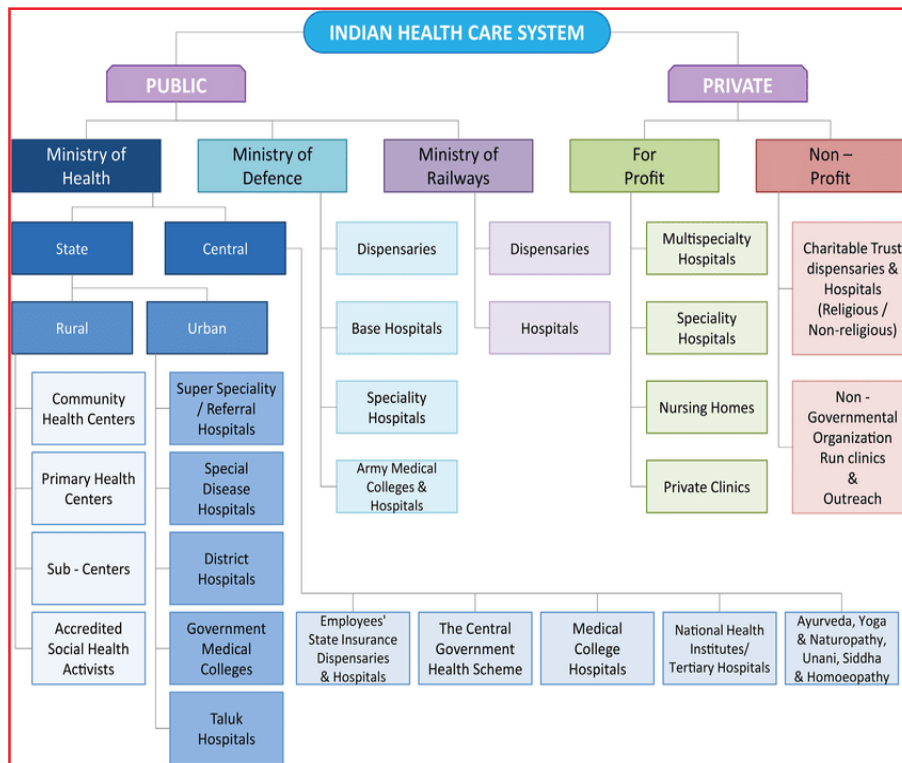
Minimizing the Burden of Hospital Charges

This editorial is based on "**Court's nudge on hospital charges, a reform opportunity**" which was published in *The Hindu* on 30/04/2024. The article examines the soaring healthcare expenses in India and emphasizes that achieving affordable hospital care necessitates health care financing reforms that extend beyond mere price regulations.

Tag: GS Paper - 2, Health, Government Policies & Interventions, GS Paper - 3, Government Budgeting, Planning

The **Supreme Court of India**, while hearing a **Public Interest Litigation (PIL)** in February, 2024, directed the central government to find ways to regulate the rates of hospital procedures in the private sector. The trigger for the PIL and directive were the high procedure rates and their large variations across the country in the recent times. The Court highlighted the problem using the procedure costs of cataract surgeries that cost only around Rs. 10,000 in a government set-up and between Rs. 30,000 to Rs. 1,40,000 in private hospitals.

It invoked Rule 9 of the **Clinical Establishments (Registration and Regulation) Act, 2010** and **Clinical Establishments (Central Government) Rules, 2012**, which together require that “clinical establishments shall charge the rates for each type of procedures and services within the range of rates determined and issued by the Central Government from time to time, in consultation with State Governments”. The Court ruled the Central Government Health Scheme rates as an interim measure if the government failed to find ways to regulate rates.



What are Clinical Establishments (Central Government) Rules, 2012 ?

➤ About:

- In exercise of the powers conferred by section 52 of the Clinical Establishments (Registration and Regulation) Act, 2010, the Central Government made the Clinical Establishments (Central Government) Rules, 2012.

➤ Appointment of Secretary of the National Council by the Central Government:

- The officer of the rank of Joint Secretary dealing with the subject of Clinical Establishments in the Ministry of Health and Family Welfare, Government of India shall be the ex-officio Secretary of the National Council for clinical establishments established under sub-section (1) of section 3 of the Act.

➤ National Council and its Sub-Committees:

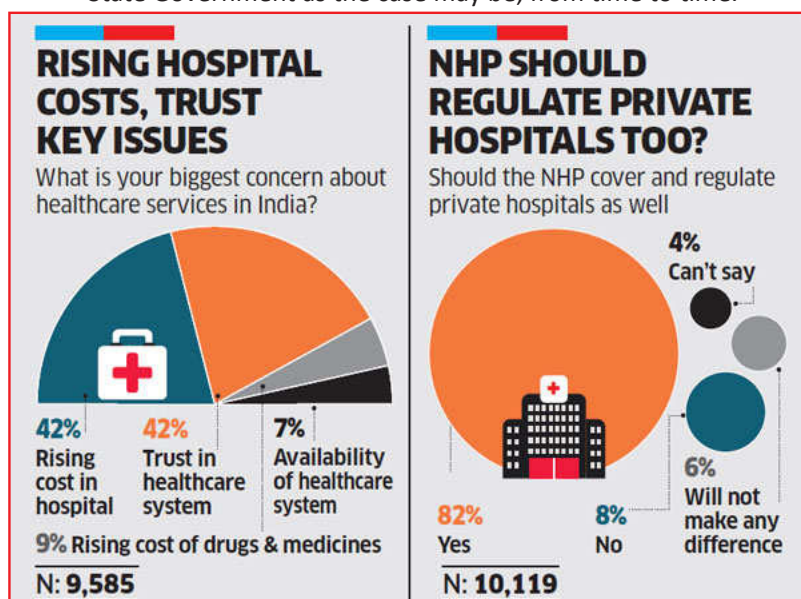
- The National Council shall classify and categorise the clinical establishments of recognised systems of medicine and submit the same to the Central Government for its approval. For the appointment of each sub-committee, the National Council shall define the functions of the sub-committee, number and nature of members to be appointed thereon and timeline for completion of tasks.
- At the time of formation of each sub-committee, effort should be made to ensure that there is adequate representation from across the country in each committee from experts in the relevant fields across the private sector, public sector and its organizations, non-governmental sector, professional bodies, academia or research institutions amongst others.

➤ Minimum Standards for Medical Diagnostic Laboratories:

- Every clinical establishment relating to diagnosis or treatment of diseases, where pathological, bacteriological, genetic, radiological, chemical, biological investigations or other diagnostic or investigative services, are usually carried on with the aid of laboratory or other medical equipment, shall comply with the minimum standards of facilities and services as specified in the Schedule.

➤ **Other Conditions for Registration and Continuation of Clinical Establishments:**

- Every clinical Establishment shall display the rates charged for each type of service provided and facilities available, for the benefit of the patients at a conspicuous place in the local as well as in english language.
- The clinical establishments shall charge the rates for each type of procedures and services within the range of rates determined and issued by the Central Government from time to time, in consultation with the State Governments.
- The clinical establishments shall ensure compliance of the Standard Treatment Guidelines as may be determined and issued by the Central Government or the State Government as the case may be, from time to time.
- The clinical establishments shall maintain and provide Electronic Medical Records or Electronic Health Records of every patient as may be determined and issued by the Central Government or the State Government as the case may be, from time to time.



What are the Various Reasons of Rising Healthcare Costs in India?

➤ **Unregulated and Profit-Oriented Health sector in India:**

- In India, care delivery is predominantly through private providers, with market-determined prices. Health-care markets are imperfect, leading to inefficiencies and inequities and require regulation.
 - In an unregulated market-driven scenario, health-care providers focus on profit through higher prices and overprovision of care (supplier-induced demand). One potential solution, “yardstick competition”, involves regulatory authorities setting benchmark prices based on market observations.
- However, this approach faces challenges in India due to diverse patient profiles, unreliable price data, and weak regulatory frameworks. Relying solely on competition from government hospitals is insufficient due to long wait times, perceived service quality issues, and patient information gaps, perpetuating the risk of supplier-induced demand.

➤ **High Out-of-Pocket Expenditures (OOPEs):**

- In India, over half the total health expenditure is OOP. The other half comes from a multitude of publicly and privately pooled resources. The private sector is predominantly composed of small-scale providers. Even if rates are standardised, their implementation will be uncertain.
 - Enforcement mechanisms for adherence to prescribed rates remain unclear, raising questions about the feasibility of various regulatory measures. There are concerns related to providers not adhering to the prescribed procedure rates, much like they have resisted the rates in various health schemes.

➤ **Weak Implementation of Laws:**

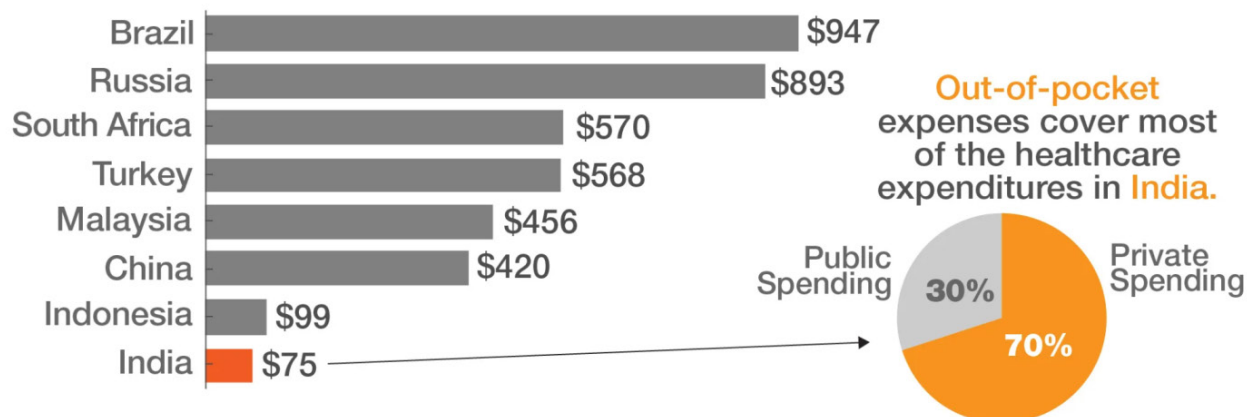
- Command-and-control regulations through pecuniary measures such as price caps can swiftly influence actors’ behaviour by making them follow the pronouncements. However, when enforcement mechanisms are weak, these effects are temporary because the overall environment remains unchanged.
 - The suggested measures face enormous enforcement challenges. Only 11 States and seven Union Territories have notified the Clinical Establishment Act, 2010 and its implementation remains weak, with little or no evidence about the impact on affordability, care quality, and provider behaviour.

➤ **Issues in Capping Medical Devices:**

- Design and implementation capacity constraints have hampered the effective adoption of the **National Pharmaceutical Pricing Authority’s** decision to cap the prices of stents and implants since 2017 and of the many directives that mandate doctors to prescribe generic medicines. Rate standardisation, through capped prices, may not address the fundamental problem of stakeholders’ misaligned incentives.

Health expenditure per person

Among the BRICS and other newly industrialised nations, India spends the least on health per capita.



➤ Corporatisation of Healthcare:

- The nature of tertiary care in India changed drastically in the last three decades. Often critiqued as 'corporatisation' of healthcare, large tertiary healthcare providers in India earlier belonged to charitable trusts or foundations, which prioritised care over profits, unlike the present times. These hospitals employ the latest state-of-the-art technologies to mark a superior quality of healthcare. These costs are borne by the patients.
- Private practitioners, on the other hand, are under the ambit of very few rules regarding fees charged. The Clinical Establishment (Registration and Regulation) Act, 2010 sought to make treatment seeking much more transparent for patients, but many doctor associations across the country have tried to resist the enactment of the law.

➤ Inadequate Investments in Public Hospitals:

- Investments in public hospitals and primary healthcare centres are not enough, given the sheer size and healthcare needs of the population. The State has historically regulated the prices of medicines via the [Drug Price Control Orders, 2013](#) which cap the price rise of molecules, particularly for widespread and life-threatening diseases. However, medicines continue to constitute a large part of the OOPEx because they are not financed by the State.
- There are shocking instances of doctor absenteeism in public healthcare, probably because of low financial incentives. There is a

lack of reliable infrastructure and technologies, with only one bed available for every 2000 individuals, as per [World Bank](#).

➤ Inadequate Political Priority:

- Proliferation of the pharmaceutical industry has led to cheaper medicines for people across the world, but in India, the insidious growth of unscrupulous practices is taking a toll on the affordability of medicines.
- There is world class healthcare in urban agglomerations, but public healthcare continues to be overcrowded and underfunded. Insurance take-up is slow, and people still sell their assets to make up for healthcare costs. These major caveats in healthcare delivery and affordability show us that health is always a matter of political priority, which is lacking in the case of India.

What are the Different Ways to Prevent the Rise of Healthcare Costs in India?

➤ Formulating Standard Treatment Guidelines (STGs):

- As per the observations of Supreme Court, pricing-related discussions must start with a benchmark for price determination. STGs, can help establish relevant clinical needs, the nature and extent of care, and the costs of total inputs required.
- STGs can address confounders that account for varying levels of care for various hospital procedures while ensuring clinical autonomy to respond to individual needs. Consequently, it enables valuing health-care resources consumed for the precise cost of multiple procedures.

- Given limited regulatory capacity, STG formulation and adoption require that providers' revenues are tied to fewer payers. Providers must rely on reimbursements from pooled payments, covering most of the population with low OOP payment levels.

➤ **Need For a Comprehensive Health Financing Reform Strategy:**

- Rate standardisation, through capped prices, may not address the fundamental problem of stakeholders' misaligned incentives. A comprehensive health financing reform strategy informed by robust and ongoing research on appropriate processes for formulating and adopting benchmark standards must be in place, without which the actual pricing can be manipulated and justified in any manner.
- For example, hospitals with lower average revenue per bed can push their rates higher by appealing to their better care quality. Without universal standards, it will be nearly impossible to verify such claims objectively.

➤ **Following the Models of Tamil Nadu and Rajasthan:**

- To finance medicines and avert margins of supply chain stakeholders, some states like Tamil Nadu and Rajasthan procure cheap unbranded generics from manufacturers and via centralised agencies sell it directly to the patients.
- Extending this to private providers also would radically change OOPE for medicines. Rolling out of insurance schemes are practical progressive steps given the dominant privatised market of healthcare.

➤ **Maintaining Transparency in Standardisation of Rates:**

- Private healthcare providers are perhaps unique among all the commercial services in India, since the rates of their services are generally not transparently available in the public domain. This is linked with the wide spectrum of rates that may be charged for the same procedure or treatment, not only by various hospitals in the same area, but also from different patients within the same hospital.
- The Clinical Establishments (Central Government) Rules, 2012 specify that all healthcare providers must display their rates and should charge standard rates as determined by the government from time to time. However, 12 years after these legal provisions were enacted, surprisingly they are yet to be implemented.

➤ **Preventing Irrational Healthcare Interventions:**

- It is also necessary to implement standard protocols to check irrational healthcare interventions, which are currently promoted on a wide scale due to commercial considerations.
- For example, the proportion of caesarean deliveries in India in private hospitals (48%) is three times higher compared to public hospitals (14%). In private hospitals, the share is far in excess of the medically recommended norm for caesarean sections (10-15% of all deliveries).
- Rationalising treatment practices and curbing excessive medical procedures will not just bring down excessive bills charged by many private hospitals, but also significantly improve healthcare outcomes for patients.

➤ **Implementing Patients' Rights:**

- Given huge asymmetries of knowledge and power between patients and hospitals, certain rights are universally accepted to protect patients. These include the right of every patient to receive basic information about their condition and treatment, and the expected costs of care and itemised bills; the right to second opinion, informed consent, confidentiality and choice of provider for obtaining medicines or tests; and ensuring that no hospital should detain the body of a patient on any pretext.
- Further, given the failure of existing mechanisms like Medical Councils to ensure justice for patients with serious complaints related to private hospitals, it is important that user-friendly grievance redressal systems be operationalised from district level upwards, with multi-stakeholder oversight.

➤ **Controlling Commercialisation of Colleges:**

- Along with these measures on private healthcare, some complementary steps concerning medical education are need of the hour. There is an urgent need to control commercialised private medical colleges, especially mandating that their fees must not be higher than government medical colleges. Further, expansion of medical education must be focused on public colleges rather than commercialised private institutions.

➤ **Reforming National Medical Commission and NEET:**

- The **National Medical Commission** needs independent, multi-stakeholder review and reform, keeping in view criticisms that this body lacks representation of diverse stakeholders, has excessively centralised decision-making, and tends towards further commercialisation of medical education.

- The **National Eligibility-cum-Entrance Test (NEET)** needs restructuring, since this tends to place candidates from less privileged backgrounds at a disadvantage, while encroaching on the autonomy of States in determining their own medical admission processes.

What are the Various Government Initiatives Related to Healthcare?

- [National Health Mission](#)
- [Ayushman Bharat](#)
- [Pradhan Mantri Jan Arogya Yojana \(AB-PMJAY\)](#)
- [National Medical Commission](#)
- [PM National Dialysis Programme](#)
- [Janani Shishu Suraksha Karyakram \(JSSK\)](#)
- [Rashtriya Bal Swasthya Karyakram \(RBSK\)](#)
- [Increased Allocation for Health in Budget 2021.](#)
- [PM Atmanirbhar Swasth Bharat Scheme](#)
- [National Digital Health Mission](#)

- [National Medical Commission \(NMC\) Act, 2019.](#)
- [Pradhan Mantri Bhartiya Janaushadhi Pariyojana.](#)

Conclusion

The observation of Supreme Court is an opportunity to create effective processes to solve a major health system problem. Rate standardisation policies must be feasible, easily implementable, and follow established price discovery practices. Future efforts must build on previous and ongoing health financing reforms, address anticipated challenges, and ensure broader stakeholder participation.

Affordable healthcare is not just a matter of providing medical treatment; it is about creating a healthcare system that respects the dignity and rights of every individual. It requires addressing the diverse needs of all people, including those who are marginalized or vulnerable, and ensuring that healthcare services are accessible, affordable, and culturally competent. Inclusive healthcare is not only a moral imperative but also a practical necessity for achieving better health outcomes for all.



drishti

Drishti Mains Questions

1. Describe the challenges in providing Antiretroviral Therapy (ART) to HIV/AIDS patients in rural areas of India. Critically analyse the effectiveness of India's National AIDS Control Program in combating the HIV/AIDS epidemic.
2. Evaluate the effectiveness of legislative frameworks in combating money laundering, with a focus on recent amendments and challenges.
3. Evaluate the socio-economic implications of the Katchatheevu Agreement on fishing communities in Tamil Nadu and its influence on India-Sri Lanka relations.
4. Evaluate the impact of NATO expansion on global security dynamics and its implications for non-NATO countries. Also discuss the role of NATO in contemporary geopolitics and its significance for India's strategic interests.
5. Examine the achievements and obstacles encountered by the Reserve Bank of India (RBI). Propose reforms to unleash the full potential of the RBI as a driving force for the vision of Viksit Bharat.
6. Discuss the concept of college autonomy in higher education, highlighting its importance, challenges, and potential reforms.
7. Discuss the challenges and strategies for achieving inclusive healthcare in India, highlighting the role of technology and policy reforms. What are the key areas for improvement?
8. Discuss the impact of technology penetration in the defence sector on modern warfare and national security. How can India leverage these advancements effectively?
9. Discuss the impact of climate change on women's livelihoods and the role of gender-sensitive policies in addressing climate change mitigation and adaptation.
10. Evaluate the emerging challenges associated with E-mobility transition in India. Discuss the government initiatives and opportunities associated for its widespread adoption.
11. Discuss the challenges faced by Indian states in managing their finances and suggest measures to enhance revenue and fiscal discipline.
12. Discuss the role of technology and sustainable practices in enhancing agricultural productivity in India. How can these be integrated for inclusive growth?
13. Discuss India's strategic interests, challenges, and potential collaborations in the Arctic region, considering geopolitical shifts and environmental concerns.
14. Discuss the challenges faced by consumers with disabilities in accessing goods and services. Suggest policy measures for inclusive consumption in society.
15. Discuss the implications of the Supreme Court's judgment on the conservation of the Great Indian Bustard. What measures are needed for its protection?
16. Discuss the geopolitical significance and territorial disputes surrounding the South China Sea, highlighting implications for regional stability and international relations.
17. Discuss the potential implications of the Iran-Israel conflict on global peace and stability. Suggest measures to ensure long-term stability in the Middle East region.
18. Discuss the significance of Earth Day in promoting environmental awareness and sustainable practices. How can individuals contribute to Earth's conservation?
19. Discuss the ethical and economic implications of tax avoidance and evasion, and suggest measures to mitigate their adverse effects on society and the economy.

Drishti Mains Questions

20. Discuss the impact of processed and HFSS (High in Fat, Sugar, and Salt) foods on public health, and propose policy measures to mitigate their adverse effects.
21. Discuss the impact of the Swachh Bharat Mission on public health and sanitation practices in India. What are the challenges in its implementation?
22. Discuss the Historical Background behind the West Asian conflict and what are the approaches through which it can be tackled.
23. Discuss the significance of the Representation of the People Act, 1951, in ensuring free and fair elections in India. How has it evolved over time?
24. In light of India's rapidly growing elderly population, discuss the challenges and strategies for ensuring their social welfare and healthcare in the 21st century.
25. Discuss the socio-economic impacts and policy measures to address the escalating healthcare costs in India, considering its implications on public welfare and economic sustainability.