



## News Analysis (08 Aug, 2019)

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### RBI's Monetary Policy

In its third bi-monthly policy statement of the current financial year ( FY- 2019-20), the Reserve Bank of India's **Monetary Policy Committee (MPC)** has cut the repo rate for the fourth time in a row.

- The MPC slashed repo rate by 35 basis points to 5.40%, the lowest in over nine years.
- The MPC also revised downwards the GDP growth for FY20 from 7% in the **June policy** to 6.9% in August in the range of 5.8-6.6% for the first half of FY20 and 7.3-7.5% for the second half—with risks somewhat tilted to the downside.
- All this has been done to **support the sluggish economic growth and to stimulate aggregate demand.**

### Other Decisions taken by the RBI

- The **RBI** has decided to allow **round-the-clock fund transfers through NEFT** from December 2019 in order to promote digital transactions.
  - Currently, the National Electronic Funds Transfer (NEFT) operated by the RBI as a retail payment system is available for customers from 8 a.m. to 7 p.m. on all working days with the exception of the second and fourth Saturdays of the month.
  - The NEFT system is used for fund transfers up to ₹2 lakh.
  - Earlier in its June Monetary Policy, **the RBI had done away with charges on fund transfers through RTGS and NEFT** routes to boost digital transactions and asked banks to pass on the benefits to customers.
  - The Real Time Gross Settlement System (RTGS) is meant for large-value instantaneous fund transfers.
- It has allowed the **National Payments Corporation of India (NPCI) operated Bharat Bill Payment Service (BBPS)** hub to **enable payments for all recurrent billers** (except prepaid recharges). At present, it is available only for DTH services, electricity,

gas, telecom and water bills. Allowing all billers to plug into BBPS would mean that all payment providers will be able to offer customers anytime, anywhere payment services for every biller from their own sites or locations.

- The Bharat bill payment system is a Reserve Bank of India (RBI) conceptualised system driven by National Payments Corporation of India (NPCI). It is a **one-stop ecosystem for payment of all bills** providing an interoperable and accessible “Anytime Anywhere” bill payment service to all customers across India with certainty, reliability and safety of transactions.
- It has multiple modes of payment and provides instant confirmation of payment via an SMS or receipt.
- The RBI also proposed **creation of a central payment fraud registry** that will track banking fraud. At present, there is a **Central Fraud Monitoring Cell** of the central bank.
  - Currently, RBI has a mechanism in place for banks to report all banking frauds to the Central Fraud Monitoring Cell of the Reserve Bank. The **proposed registry extend the platform to all payments operators**.
  - **Payment system companies will be provided access to the registry for near-real time fraud monitoring** and the aggregated fraud data will be published to educate customers on emerging risks. A detailed framework in this regard will be put in place by the end of October.
  - Risk monitoring and management involving **fraudulent activities in digital payments** is imperative, considering the massive growth of the industry, including infrastructure, volume and value of transactions.
- **For Non Banking Financial Companies (NBFCs):** The central bank has decided to raise a bank's exposure limit to a single **NBFC** to 20% of its Tier-I capital from 15% earlier. The hike will enable banks to increase the credit flow to big NBFCs.

This measure is pertinent at a time when lending activity by many NBFCs have declined significantly, resulting in demand slowdown for a range of items including cars, tractors, white goods among others.

**Source: ToI**

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## Integrated Coastal Zone Management Plan

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The Ministry of Environment, Forest and Climate Change (MoEFCC) has unveiled the **draft Environmental and Social Management Framework (ESMF)** for Integrated **coastal** management.

- The draft plan will dictate how prospective infrastructure projects situated along the coast would be assessed before they can apply for clearance by laying out guidelines for coastal States to adopt when they approve and regulate projects in coastal zones.

- The ESMF draft plan as a part of a World Bank-funded project seeks to assist the Government of India in **enhancing coastal resource efficiency and resilience**, by building collective capacity (including communities and decentralised governance) for adopting and implementing **Integrated Coastal Zone Management Plan**.
- The MoEFCC had launched an Integrated Coastal Zone Management Project (ICZMP) by establishing a **Society of Integrated Coastal Management (SICOM)**.

### **Draft Environmental and Social Management Framework**

- Draft ESMF has been prepared in support of a project proposal for “Enhancing climate resilience of India’s coastal communities” by the Government of India (GoI) to the Green Climate Fund (GCF).
- The objective of the draft ESMF project is to enhance the resilience of the lives and livelihoods of the most vulnerable populations, particularly women, in the coastal areas of India.
- The project will work at national, state, and community levels to enhance capacity for the ecosystem and community-based approaches to adaptation.

### **Society of Integrated Coastal Management**

- Society of Integrated Coastal Management (SICOM) has been established under the aegis of the Ministry of Environment, Forests and Climate Change.
- It has a vision for vibrant, healthy and resilient coastal and marine environment for the continuous and enhanced outflow of benefits to the country and the coastal community.
- SICOM is the national project management unit of India in strategic planning, management, execution, monitoring and successful implementation of the ICZMP-Phase-I.

**Integrated Coastal Zone Management Plan:** (ICZM) is a process for the management of the coast using an integrated approach, regarding all aspects of the coastal zone, including geographical and political boundaries, in an attempt to achieve sustainability.

- The concept was born in 1992 during the Earth Summit of Rio de Janeiro.
- The specifics regarding ICZM is set out in the proceedings of the summit within Agenda 21.

### **Implementation**

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- It is a **World Bank** assisted project and is being implemented by the Department of Forests and Environment with assistance from the Union Ministry of Environment, Forests and Climate Change (MoEFCC).
- The **National Centre for Sustainable Coastal Management (NCSCM)**, Chennai, is

providing scientific and technical inputs.

## Objective

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- Formulation of Integrated Coastal Zone Management Plan for the State
- Lessen the coastal erosion
- Reduce vulnerability to disaster
- Biodiversity conservation
- Livelihood security
- Pollution/ environmental quality management
- Improvement and conservation of cultural/ archaeological assets

**Components:** Society of Integrated Coastal Management (SICOM) would be implementing the project the national level and state level.

- Till now three coastal states namely West Bengal, Gujarat and Orissa have been selected under the ICZM plan.
- Four main components of the plan include National Coastal Zone Management Programme, ICZM-West Bengal, ICZM-Orissa and ICZM-Gujarat:
  - **National** Coastal Zone Management Programme: The national component will include **mapping, delineation** and **demarcation** of the hazard lines, and delineation of coastal sediment cells all along the mainland coast of India.
  - **ICZM approaches in Gujarat, Orissa and West Bengal:** will support capacity building of the state-level agencies and institutions, including preparation of an ICZM plan for the coastal sediment cell, regional coastal process study, and pilot investments.

**Source: TH**

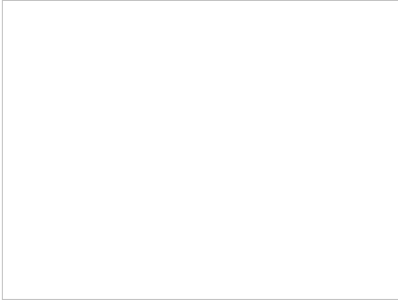
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## Heracles Inexpectatus: Giant Extinct Parrot

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The fossils of the largest ever parrot named **Heracles Inexpectatus** have been discovered in **New Zealand**.

- The **19 million years** old fossils were unearthed near **St. Bathans** (known for its rich source of fossils from the Miocene period) in southern New Zealand.



- Heracles Inexpectatus was among the **flightless birds** and were at least **one metre tall** with a weight of up to **seven kilograms**.
- The fossil is approximately the size of the giant **dodo pigeon** and twice the size of the critically endangered flightless **New Zealand kakapo** (which until now was the largest known parrot).
- Newzealand is known for its rich diversity of extinct giant birds like flightless bird Moa (3.6 metres tall).

**Source:TH**

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## Tardigrades

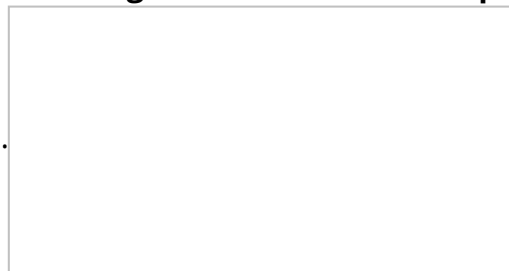
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Microscopic **Earthlings** known as Tardigrades, likely survived a crash landing on the Moon surface by Israel's **Beresheet probe** in April, 2019.

Beresheet probe is a private mission to the Moon by **Israeli non-profit SpacEL organisation**. It was successfully launched in February 2019, on board of **Falcon 9 rocket** from **Cape Canaveral** (Florida, USA) and arrived in lunar orbit in April 2019.

- Tardigrades are found in **terrestrial, marine, and freshwater environments** from the Arctic to the Antarctic, including great depths and altitudes.
- They **can withstand extreme radiation, sizzling heat, the coldest temperatures of**

the universe, and decades without food.



- Also known as **water bears or moss piglets**, they are capable of surviving temperatures as high as 150° Celsius and as low as minus 272° Celsius albeit for a few minutes.
- The grub-like, **eight-legged animals** can come back from being dried out to a lifeless husk for decades, **withstand near zero pressure in outer space** and the crushing depths of the **Mariana Trench**.
- They are **microscopic, multicellular**, and one of the **most durable forms of life** on

planet Earth.

**Source: TOI**

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## Mexico's Prickly Pear Cactus

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Recently, researchers have found **Mexico's prickly pear cactus**, that can play a new and innovative role in the production of **biodegradable plastics**.

- The pulp for the cactus is strained to obtain a juice and is then mixed with non-toxic additives to produce sheets that can be used to form different types of packaging.
- It can provide a solution to one of the world's biggest pollution conundrums i.e., **Plastic pollution**.
- UN is committed to significantly reduce single-use plastics over the next decade. In pursuance of this India also seeks to ban single-use plastics.

**Single-use plastics are disposable plastic items that are commonly used for packaging and include items intended to be used only once before they are thrown away or recycled.**

**Source: TH**

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## India: Second-largest Scrap Importer

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India has emerged the **world's second-largest scrap importer of steel toppling South Korea**.

- Scrap imports In India increased by 35% in the first half of this year to 3.87 million tonnes.
- This signifies that **the Indian system is not consuming internal scrap of steel, that is generated from old vehicles and machinery components, due to lack of efficient metal recycling facilities and technology**

What will be the benefits of using internal scrap?

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- Due to the **slowdown in the domestic steel industry and cheap price of imported scrap metals**, India became the second-largest scrap importer.
- However, India's Internal scrap market holds huge potential, for instance, India will have **22 million obsolete vehicles by 2025** from 8.7 million at present.
- But as of now, **India lacks regulations in scrapping and** recycling is mostly done by the **unorganised segment**.
- Thus, there is a need for a **comprehensive metal recycling policy** so that India can

mobilise Internal scrap market.

- **Benefits of using internal scrap:**
  - It will improve **India's balance of trade**.
  - Mobilising internal scrap will **create millions of jobs** in recycling dominated industries like plastic, rubber, glass, fabric, metal industries and technology and the auto sector.
- The government can **incentivise internal scrap mobilisation** in the automobile industry, by steps like **waiver** in the registration fee for a new car can be provided if the buyer produces a certificate for scrapping an old car.

**Turkey is still the world's largest recycler and scrap importer of the world.**

**Source:THBL**

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## Vikram Sarabhai Journalism Award

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**ISRO** has recently announced the '**Vikram Sarabhai Journalism Award in Space Science, Technology and Research**', as part of the centenary year celebrations of **Dr. Vikram Sarabhai**, the father of **Indian space programme**.

- The award has been announced to **recognize and reward journalists** who have actively contributed towards the field of space science, applications, and research.
- The articles published from **2019 to 2020** will be considered for the award.  
The names of the selected candidates will be announced on **August 1<sup>st</sup>, 2020**.

**Source: PIB**

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## Solar Thermal Energy Technology

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The **National Institute of Solar Energy (NISE)** and the **United Nations Industrial Development Organization (UNIDO)** have signed an agreement to initiate a skill development programme for different levels of beneficiaries in the solar thermal energy sector.

The agreement is part of the ongoing **MNRE-GEF-UNIDO** project which aims to support capacity building and skill development of technical manpower in the **Concentrated Solar Thermal Energy Technologies (CST)** which are being used to replace conventional fossil fuels e.g. coal, diesel, furnace oil etc.

- The **GEF-UNIDO's project** is designed to complement MNRE's support programme by helping to remove barriers associated with **CST technology**, its awareness, capacity building, market and financial barriers.

- The duration of the project is from January 2015 to December 2019.
- Different concentrating technologies have been developed or are currently under development for various **commercial and industrial applications**.
- For industrial processes where temperatures above 80°C are required, concentrating solar collectors such as parabolic trough or dish collectors, non-imaging concentrators or a Linear Fresnel system are required to be used.
- The industries showing good potential for implementation of solar concentrators are food processing, paper and pulp, fertilizer, breweries, electroplating, pharmaceutical, textiles, refineries, rubber and desalination sectors.

## United Nations Industrial Development Organization

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- The United Nations General Assembly passed the resolution for establishing the UNIDO in the year 1966.
- It is a specialized agency of the United Nations that promotes industrial development for poverty reduction, inclusive globalization and environmental sustainability.
- As of 1st April 2019, 170 States are members of UNIDO.
- It is headquartered in Vienna, Austria.

## National Institute of Solar Energy

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- National Institute of Solar Energy (NISE), an autonomous institution of the Ministry of New and Renewable (MNRE), is the apex National R&D institution in the field of Solar Energy.
- The Government of India converted 25 year old Solar Energy Centre (SEC) under MNRE to an autonomous institution in September, 2013 to assist the Ministry in implementing the National Solar Mission and to coordinate research, technology and other related works.
- It is located in Gurugram, Haryana.

**Source: PIB**

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