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Nilekani Recommendations on Digital Payments

RBI appointed committee on digital payments, headed by **Nandan Nilekani**, has made recommendations for strengthening **digital payments ecosystem** in **India**.

Recommendations

- **Removal of transaction charges:** on digital payments made to government
 - There should be no convenience fee on consumers for digital payments made to state run entities and central departments.
- **Merchant Discount Rates (MDR) pricing structure:** 15 basis points (100 bps = 1% point) cut on the interchange rate on card payments which is borne by the merchants.
- **Removal of existing 18 % import duty** on POS (point of sale) machines for a period of three years.
- **Reduce the goods and services tax (GST)** on digital transactions so that the acceptance of digital payments can be improved among the customers.
- Mechanism to **monitor the digital payment systems:**
 - **Digital financial inclusion index** so that progress in an area can be measured along a common scale, indicating the evolution of the users and steps taken for correcting the imbalance.
 - Aggregated **information** based on **blocks** and **PIN codes**, must be available to all players on a monthly basis.
- **Reduce the overall cost to the consumers** such as KYC (Know your customer) process at multiple stages of the transaction and service charges for digital payments.
- **Protection from fraud and risk:** payment systems must rely on machine-driven, online dispute resolution systems to handle complaints.
- Setting up an **Acceptance development fund:** which will be used for developing new merchants in poorly served areas.
- **Reduce gap between "digital credits" and "digital debits":** There is a need for improvement on demand or acceptance side of the ecosystem as, high-cost structures,

including interchange fees, as well as limited financial service offerings, impede merchants from accepting digital payments.

- Target for additional growth of **volume of digital payments by 10 times in three years** and the growth will be driven by a shift from **high-value, low-volume, high-cost transactions to low-value, high-volume, low-cost transactions**.

Gene Editing to Halt Human Flu Pandemic

Recently scientists in Britain have used gene-editing techniques to stop bird flu spreading in chicken cells.

- The technique was successful for the cells grown in a lab. The next step will be to produce chickens with the same genetic change.
 - However, this is a key step towards making genetically-altered chickens that could halt a human flu pandemic.
- Further, the scientists will use the gene editing technology, known as CRISPR, to remove a section of the birds' DNA responsible for producing a protein called ANP32.
 - ANP32 is protein on which all flu viruses depend to infect a host.
 - The lab tests of cells engineered to lack ANP32 showed they resist the flu virus by blocking its entry and halting its replication and spread.

Bird Flu

- Bird Flu (H5N1) is a type of influenza virus that causes a highly infectious, severe respiratory disease in birds called avian influenza.
- Human cases of H5N1 avian influenza occur occasionally, but it is difficult to transmit the infection from person to person.
- When people do become infected, the mortality rate is about 60%.
- There is no evidence that the disease can be spread to people through properly prepared and thoroughly cooked food.
- Candidate vaccines to prevent H5N1 infection have been developed, but they are not ready for widespread use. Seasonal influenza vaccination does not protect against H5N1 infection.
- WHO collaborates with global health partners and agencies, including the World Organisation for Animal Health (OIE), and the Food and Agriculture Organization of the United Nations (FAO-UN), to control and prevent the spread of animal diseases.
- WHO's global laboratory system, the Global Influenza Surveillance and Response System (GISRS), identifies and monitors strains of circulating influenza viruses, and provides advice to countries on their risk to human health and available treatment or control measures.

Clustered Regularly Interspaced Short Palindromic Repeats (CRISPR)

- Clustered Regularly Interspaced Short Palindromic Repeats (CRISPR) – Cas9 is a new technique for genome editing.
 - It is faster, cheaper and more accurate than earlier techniques, and can precisely target a sequence of DNA in germ cells, extract, edit or replace it even in the embryo stage.
 - The technique can prevent hereditary diseases such as sickle cell, thalassaemia, HIV, cancer, and Huntington's disease from passing on to children.
 - Another popular method is Somatic Cell Gene Therapy (SCGT), which affects only an individual and not his or her future generations.
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Draft Copyright Amendment Rules, 2019

Recently, Draft Copyright (Amendment Rules), 2019 was released by the Department for Promotion of Industry and Internal Trade (DPIIT).

- The amendments are being brought in to bring the Copyright Act on par with other relevant legislations and to ensure it is in sync with the technological advancements in the current digital era.
- The copyright regime in India is governed by the Copyright Act, 1957 and the Copyright Rules, 2013.
- The Copyright Rules, 2013 were last amended in 2016 through the Copyright Amendment Rules, 2016.

Proposals in Draft Rules

- Setting up an Appellate Board to replace the Copyright Board.
The Chairman and other members of the Board will be appointed as per the provisions of the Trade Marks Act, 1999,
- It also proposes to amend the manner in which copyright societies fix their tariff schemes.
 - A copyright Society is a legal body which protects or safeguards the interest of owners of the work by giving assurance to the creative authors of the commercial management of their works.
 - These societies issue licences and collect royalties in accordance with a tariff scheme.
- DPIIT has proposed in the amendments that when fixing its tariff the copyright society may consider, "cross-sectional tariff comparisons, economic research, the nature and scope of the use of the work, the commercial value of the rights in use and the benefits to licensees".

- The amendments propose to make it mandatory for copyright societies to publish “the annual transparency” report for each financial year on its Website.
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Inflation in India

Recently, Consumer Price Index: Industrial Labour (CPI:IW) was released by the Ministry of Labour & Employment.

Measurement of Inflation in India

- **Wholesale Price Index WPI**
 - It is the most widely used inflation indicator in India.
 - Published by the **Office of Economic Adviser, Ministry of Commerce and Industry**.
 - All transactions at the **first point of bulk sale** in the domestic market are included.
 - Major criticism for this index is that the general public does not buy products at wholesale price.
 - The base year of All-India WPI has been revised from 2004-05 to 2011-12 in 2017.
- **Consumer Price Index CPI**
 - It measures price changes from the **perspective of a retail buyer**.
 - It measures changes over time in the level of retail prices of selected goods and services on which consumers of a defined group spend their incomes.
 - Four types of CPI are as follows:
 - **CPI for Industrial Workers (IW).**
 - **CPI for Agricultural Labourer (AL).**
 - **CPI for Rural Labourer (RL).**
 - **CPI (Rural/Urban/Combined).**
 - Of these, the first three are compiled by the **Labour Bureau in the Ministry of Labour and Employment**. Fourth is compiled by the **Central Statistical Organisation (CSO)** in the Ministry of Statistics and Programme Implementation.
 - Base Year for CPI is 2012.

CPI vs. WPI

- WPI, tracks inflation at the producer level and CPI captures changes in prices levels at the consumer level.
- Both baskets measure inflationary trends (the movement of price signals) within the broader economy, the two indices differ in which weightages are assigned to food,

fuel and manufactured items.

- WPI does not capture changes in the prices of services, which CPI does.
 - In April 2014, the RBI had adopted the CPI as its key measure of inflation.
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Cross Border Insolvency Resolution

A panel led by Ministry of Corporate Affairs had suggested adopting the **United Nations Commission on International Trade Laws on cross-border insolvency**.

- **UNCITRAL** Model Law on Cross-Border Insolvency, 1997 (Model Law) provides legal framework to deal with cross-border insolvency issues while ensuring the least intrusion into the country's domestic insolvency law.
- The Insolvency and Bankruptcy Code, at present, does not effectively deal with cases involving cross-border insolvency.
- The government is expected to amend **Section 234 and Section 235** of the IBC and introduce provisions for:
 - **Individual insolvency**: new framework divides individuals into three categories: **personal guarantors, proprietors** and **common individuals**.
 - **Cross border insolvency**: provisions will apply to **corporate debtors** and not in personal cases.

UNCITRAL Model Law- The model law deals with four major principles of cross-border insolvency:

- **Direct access to foreign insolvency** professionals and foreign creditors to participate in or commence domestic insolvency proceedings against a defaulting debtor.
- Recognition of **foreign proceedings** & provision of remedies.
- Cooperation between domestic and foreign courts & domestic and foreign insolvency practitioners.
- Coordination between two or more concurrent insolvency proceedings in different countries. The main proceeding is determined by the concept of **centre of main interest (COMI)**.

Significance

- The changes will enable initiation of resolution process in case of personal guarantors to corporate debtors, proprietorship and partnerships.
- **Provisions for cross border insolvency** would enable Indian firms to claim their dues from foreign companies, while allowing foreign creditors to recover loans from Indian companies.
 - Will also help foreign branches of Indian banks to recover their dues in India.

- Cross border insolvency provision will bring overseas asset of a domestic corporate debtor into consideration of insolvency resolution in India and will avoid delays in resolution of stressed assets.

UNCITRAL

- The United Nations Commission on International Trade Law is the core **legal body of the United Nations system** in the field of international trade law.
- UNCITRAL was established in 1966 with a recognition that international trade cooperation among States is an important factor in the promotion of friendly relations and, consequently, in the maintenance of peace and security.
- Through its several model laws, conventions, legislative guides and robust debates in working groups, UNCITRAL has provided a valuable platform for countries to compare, examine, debate and adopt principles of international commercial and trade law appropriate to their circumstances.
- Since its inception, India is only one of eight countries that has been a member of UNCITRAL.

Oussudu Lake

Vulnerability assessment study conducted in Oussudu lake, Puducherry had shown concern over rising plastic pollution in water bodies.

The report had highlighted that the canals have become **dumping grounds** for used plastic bags, thermocols, cups, plates, pipes and bottles.

Threats from Plastic Pollution

- The dumping of plastic items had **interrupted free flow of monsoon run-off**.
- Around two-thirds of all forms of plastic getting accumulated, degrades slowly and **leaches into the land and water**.
- Plastic causes **serious environmental pollution**, affecting the basic life support systems such as soil, water and air.
- Plastic pollution also results in **health ailments** such as eye irritation, vision failure, difficulty in breathing, liver dysfunction and cancer,

Recommendations

- Prior to **Plastic Ban**, it is necessary to adopt **daily usage of alternative packing items**.
- Encourage people to **identify and manufacture** alternative packing items.
Hoteliers should be encouraged to **shift to banana leaf**, teak leaf, vanathula leaf

and mantharai leaf for serving and packing food.

- **Skill development** in producing alternate packing materials should be encouraged.
- Enforcement of **rules and regulations** for the production and use of plastic

About Oussudu Lake

- The Ousteri Lake also referred to as Oussudu Lake is a man-made lake situated about 10 km from Puducherry.
- It is recognized as one of the **important wetlands of Asia** by the International Union for Conservation of Nature and Natural Resources (**IUCN**).
- The structure of the lake is complex consisting of **water, wetland** and **mudflats**.
- Lake acts as the **single largest catchment** of **fresh water** in Puducherry.
- The vegetation of the lake (ranges from small herbs to trees) supports **migratory avifauna** as well as **native birds** during summer and winter.

Conservation Efforts

- Under the government's renovation plan the region near the lake will be made **litter free** so that it becomes favourable for the migratory birds.
 - The lake region will be declared as **no horn and plastic free zone**.
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SDG Gender Index

- SDG Gender Index has been developed by **Equal Measures 2030**.
- It is a **joint effort** of regional and global organisations including **African Women's Development and Communication Network, Asian-Pacific Resource and Research Centre for Women, Bill and Melinda Gates Foundation, and International Women's Health Coalition**.
- It accounts for **14** out of **17** SDGs (sustainable development goals) that cover aspects such as poverty, health, education, literacy, political representation and equality at the workplace.
- **India is at 95th among 129 countries**.
- A score of 100 reflects the achievement of gender equality in relation to the targets set for each indicator.

Key Findings for India

- India's **highest goal scores** are on **health** (79.9), **hunger & nutrition** (76.2), and **energy** (71.8), female students enrolled in primary education (95.3).
- Its **lowest goal scores** are on **partnerships** (18.3, in the bottom 10 countries worldwide), **industry, infrastructure** and **innovation** (38.1), and **climate** (43.4), Seats held by women in national parliaments (23.6).

Supernova Blast

- Scientists have discovered about 1,800 new supernovae, or exploding stars.
 - New discovery may help measure how fast the universe is expanding.
 - The finding includes 58 Type Ia supernovae located eight billion light years away.
 - **Supernova:** A supernova is the name given to an exploding star that has reached the end of its life.
 - Researchers used the Subaru Telescope and the Hyper Suprime-Cam, an 870 megapixel digital camera attached at its top.
 - Subaru Telescope is the telescope of the National Astronomical Observatory of Japan, located at the Mauna Kea Observatory on Hawaii.
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Global Entrepreneurship Summit

- The **ninth edition** of the Global Entrepreneurship Summit is scheduled in **The Hague, Netherlands**.
 - The **theme** of the summit is '**The Future Now**'.
 - It is being hosted by the governments of the **United States of America** and the **Kingdom of the Netherlands**, and is the **first edition** of the event to be held in the **European Union**.
 - It aims at supporting next-generation entrepreneurs and international companies and institutions who offer innovative solutions to global challenges.
 - The **key focus areas** of the summit include the five global challenges surrounding **water, agriculture, healthcare, connectivity** and **energy**.
 - The **8th edition** of the summit was hosted by **NITI Aayog** in partnership with US government in **Hyderabad**, India.
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