




## News Analysis (15 Apr, 2020)

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### World Economic Outlook Report: IMF

#### Why in News

Recently, the **International Monetary Fund (IMF)** has released its **World Economic Outlook (WEO) report**.

#### Key Points

- The **Covid-19 pandemic** is having a severe effect on the world economy. As countries implement necessary **quarantines and social distancing** practices to contain Covid-19, the world has been put in a **Great Lockdown**.
  - It is expected to cause a **-3% change (i.e., a contraction) in global output in 2020**, which is much **worse than the 2008-09 financial crises**.
  - **Case of India:** India's growth is **expected to dip to 1.9% in 2020 and rebound to 7.4% in 2021**.

India's growth projection for 2020 is **3.9% less than what was projected for the country** in the January update to the WEO while its rebound in 2021 is 0.9 % higher than the January projection.
- **Growth Projections:**
  - **Emerging Asia:**
    - Emerging Asia is projected to be the only region that **grows in 2020, at a rate of 1.0%** - still more than 5 percentage points below the previous decade's average.
    - In China, where the coronavirus's impacts were first recorded this year, first quarter economic activity could have contracted by 8% year on year. **China is projected to grow at 1.2% in 2020 and 9.2% in 2021**.
    - Apart from **India's modest 1.9% in 2020, Indonesia is expected to grow at 0.5%**, while **others in the region experience contractions**.
  - **Advanced economies:**
    - Advanced economies will have an **output change of -6.1% (i.e., a contraction) in 2020** followed by 4.5% in 2021.
    - The **U.S. is projected to contract by 5.9%** in 2020 and grow by 4.7% 2021.
    - The **Euro area, will contract by 7.5%** in 2020 and grow by 4.7% 2021.

- **Impact on Global GDP:**
  - The cumulative loss to global **Gross Domestic Product (GDP)** over 2020 and 2021 from the pandemic crisis could be around **9 trillion dollars**, greater than the economies of Japan and Germany, combined.
  - Assuming that the pandemic fades in the second half of this year, with containment efforts gradually easing up, the **world economy is projected to grow at 5.8% in 2020** as economic activity normalizes, aided by policy.
  - If the pandemic does not recede in the second half of 2020, global GDP would **fall an additional 3% in 2020**.
- **Measures to combat the impact:**
  - **Policymakers have to make targeted fiscal, monetary and financial sector interventions** to support impacted households and businesses.
  - Fiscal measures **should be two-fold:**
    - Cushioning the impact on the most-exposed households and businesses
    - Reducing firm closures , i.e., preserving economic relationships.
  - **Monetary stimulus** by large central banks and liquidity facilities to reduce systemic stress will help limit the shock, positioning the economy for a better recovery.
  - **Strong multilateral cooperation** is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channeling aid to countries with weak healthcare systems.

## International Monetary Fund

- IMF is an organization working to **foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty** around the world.
- Created in **1945**, the IMF is governed by and accountable to the **189 countries** that make up its near-global membership. India Joined on December 27, 1945.
- The IMF's primary purpose is to ensure the stability of the international monetary system—the system of exchange rates and international payments that enables countries (and their citizens) to transact with each other.
  - The Fund's mandate was updated in 2012 to include **all macroeconomic and financial sector issues** that bear on global stability.

## World Economic Outlook

- WEO is a survey by the IMF that is usually published **twice a year in the months of April and October**.
- It analyzes and predicts **global economic developments** during the near and medium term.
- In response to the growing demand for more frequent forecast updates, the WEO Update is published in January and July between the two main WEO publications released usually in April and October.

## Source: TH

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## ASEAN Summit

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## Why in News

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**Vietnam** chaired the **Association of Southeast Asian Nations (ASEAN) summit held online**. The discussions pertained to the **impact of Covid-19 on southeast Asia**.

Leaders from China, Japan and South Korea joined the summit.

## Key Points

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- ASEAN leaders have warned of the crippling economic cost of Covid-19 and called for trade routes to reopen to protect jobs and food supplies, as well as the stockpiling of medical equipment.
  - The Covid-19 has ruined the region's tourism and export-reliant economies.
  - Vietnam has urged Southeast Asian leaders to set up an **emergency fund to tackle the coronavirus**.
- **Existing Fears on the impact of Covid-19 on the Region:**
  - Limited testing in Indonesia has resulted in the lower number of cases -- and under 400 deaths -- for a country of 260 million.
  - Health systems from Myanmar to Laos are widely believed to be missing the true scale of infections.
  - A **recent surge in cases in Singapore** has raised fears the pandemic could rebound in places which had batted back the initial outbreak.
  - The Thai economy, the second largest in ASEAN, is **expected to shrink by 5.3%** in 2020 -- a 22-year low -- with millions left jobless.

## Association of Southeast Asian Nations

- ASEAN is a **regional grouping** that promotes economic, political, and security cooperation.
- It was established on **8 August 1967 in Bangkok, Thailand**, with the signing of the **ASEAN Declaration (Bangkok Declaration)** by the founding fathers of ASEAN, namely Indonesia, Malaysia, Philippines, Singapore and Thailand.
- **Ten members:** Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.
- **Chairmanship of ASEAN rotates annually**, based on the alphabetical order of the English names of Member States.
- ASEAN countries have a **total population of 650 million people and a combined Gross Domestic Product (GDP) of \$2.8 trillion**.
- The group has played a central role in Asian economic integration, signing six free-trade agreements with other regional economies and helping spearhead negotiations for what could be the world's largest free trade pact.



**Source: TH**

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## Covid-19 Impact on Measles Immunization Program

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### Why in News

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According to the **United Nations (UN)**, due to the **Covid-19 pandemic**, **measles immunisation campaigns have been delayed** in 24 countries and will be canceled in 13 other countries.

The reason being that the **healthcare workers are required to deal with the pandemic** in countries where healthcare systems are inadequate.

### Key Points

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- The **coronavirus pandemic**, which has necessitated many prevention measures including strict lockdowns, **has kept infants from getting routine immunisation services** from some other diseases such as **polio, yellow fever** and cholera.
- Countries including Mexico, Bolivia, Lebanon, Nepal and Chile are among others who have delayed their immunisation campaigns.
- Some of the **countries currently amid measles outbreak** include Nigeria, Ukraine, Democratic Republic of Congo (DRC) and Kazakhstan among others.
- According to a report in the journal Nature, the **reproduction number for measles**, which is the number of people who get infected by an individual who has the disease, **is somewhere between 12-18**, which **makes measles the most contagious virus known**.
- According to the **World Health Organization (WHO)**, mass immunisation drives and routine vaccination for children are the key public health strategies against the Measles. Therefore, delaying the campaigns affects these strategies, potentially putting the life of thousands of children at risk.

- The WHO released an **interim guideline** for carrying out immunisation activities during Covid-19 on 26<sup>th</sup> March, 2020.
  - It says if immunisation activities are negatively impacted during the pandemic, respective countries will need to design strategies for delivering “catch-up” vaccines after the outbreak subsides. Implementing this will require strategies to **track and follow-up with individuals who missed getting vaccinated**, assessing immunity gaps and re-establishing community demand.
  - Further, it has advised that **mass immunisation campaigns** be “**temporarily suspended**” in light of the Covid-19 pandemic and that countries should monitor the necessity of delaying these campaigns at regular intervals.

## Measles

- **Measles** is a **highly contagious viral disease** and despite the availability of a vaccine against it, it remains to be a **leading cause of death among young children globally**.
- The disease is **transmitted via droplets** released from the nose, mouth or throat of infected persons.
- The **initial symptoms** occur **10-12 days after contracting the infection** and include high fever, a runny nose, bloodshot eyes and the appearance of white spots on the inside of the mouth.
- **Some of the most serious complications** arising out of the disease include **blindness, encephalitis (brain swelling), severe diarrhea, dehydration and severe respiratory infections such as pneumonia**.
- The disease is **common in parts of Africa and Asia** and is more likely among poorly nourished children, especially those who are **deficient in vitamin A**.
- Measles **claimed 140,000 lives in 2018**, mostly of children and babies.
- The **measles vaccine has been in use since the 1960s**. It is safe, effective and inexpensive.
- As per the WHO, reaching all children with 2 doses of measles vaccine, either alone, or in a measles-rubella (MR), measles-mumps-rubella (MMR), or measles-mumps-rubella-varicella (MMRV) combination, should be the standard for all national immunization programmes.
  - In **India**, the first dose of measles vaccine was introduced in the 1990s.
  - India introduced the second dose from 2010 onwards. India was one of the last countries to add a second dose of measles vaccine.
- In 2019, **Sri Lanka** became the fifth country in the **WHO southeast Asia region to eliminate measles**. The other countries in the region which have eliminated measles in their geographical area are **Bhutan, Maldives, DPR Korea and Timor-Leste**.

**Source: IE**

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## Sahyog App: Survey of India

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### Why in News

The Survey of India (Sol) has developed an **e-platform** that will collect geotagged information on the nation’s critical infrastructure in order to help the **Government and public health agencies take critical decisions** in response to the current **Covid-19 pandemic situation**.

To support this platform, a **mobile application called Sahyog** has also been created. This app will help collect location specific data with the help of community workers.

## Survey of India

- It is the National Survey and Mapping Organization of the country **under the Department of Science & Technology**.
- It was **established in 1767** and is the **oldest scientific department** of the Government of India.
- It is **headquartered** at **Dehradun, Uttarakhand**.
- The Survey of India acts as adviser to the Government of India on all survey matters, viz Geodesy, Photogrammetry, Mapping and Map Reproduction.
  - **Geodesy** is the science of accurately measuring and understanding the Earth's geometric shape, orientation in space and gravity field.
  - **Photogrammetry** is the science of making measurements from photographs.

## Key Points

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- **Swift Solution:** Data collection by formal land survey is a lengthy and time taking process but the **mobile app can help crowdsource data quickly**.
- **Complement Arogya Setu App:** This will **complement** the recently launched **Aarogya Setu App** that helps trace the contacts of those who may have been infected by Covid-19.
- **Relevant Information:** Information regarding biomedical waste disposals, containment areas, available hospitals for Covid-19 cases, **ICMR (Indian Council of Medical Research)** testing laboratories and quarantine camps will be integrated on this platform with their latitudinal and longitudinal parameters. This could be customised to a variety of '**Covid-related applications**' such as healthcare facilities, infection clusters and disaster management
- **Data Localisation:** Data collected using Sahyog application will be used for creating various applications for everyone's usage and would facilitate building a dataset that remains inside India.
- **Support System:** The data fed by the volunteers working on the ground such as the **ASHA (Accredited Social Health Activist) and Anganwadi workers** will lead to a good support system for the government and doctors on ground.
- **Health Delivery System:** This will **strengthen the public health delivery system** of the central and state governments by providing necessary information support to workers dealing with the challenges of health, socio-economic distress and livelihood changes.
- **Integration on Single Platform:** A lot of geospatial data about locations of fire services, banquet halls etc. is already present with the Government which was not **integrated in a single platform**. This is a step in that direction.

## Concerns

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- **Privacy:** Arogya Setu and applications like Sahyog that link to it, could infringe privacy as there **wasn't clarity on how the data would be shared** between the two applications.
- **Lack of Clarity:** Arogya Setu's terms of use were unclear on several aspects including how long data would be stored and what would happen to it after the pandemic has ceased.
- **Effectiveness:** Additionally, there is also a **question of proportionality**, i.e. in India, compared to its population, smartphone users are very less which means very few people will be able to download the app.

## Cyber Frauds and Covid-19

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### Why in News

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The **Covid-19** outbreak presents a **global challenge** for the **medical fraternity and society** as well as for **law enforcement agencies**, due to the **rising cases of cyber crime**.

- Novel ways (**fake accounts and exploiting vulnerabilities of various applications**) of defrauding people using information and technology are being used to siphon off the money.
- The **lockdown** has forced employees to work from home. Use of public platforms may **result in loss of confidential data** if an organisation does not have its own infrastructure and does not use **VPN (Virtual Private Network)** for accessing its resources.

### Recent Cases of Cyber Fraud

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- **Fake UPI of PM CARES Fund**

An alert has been issued about **phishing** of the **UPI (Unified Payments Interface) ID** of the **PM CARES Fund**, in which the offender created a similar-looking ID to deceive users.

- UPI is a real-time payment system developed by **National Payments Corporation of India** (NCPI) for inter-bank transactions.
- The interface is regulated by the **Reserve Bank of India** and instantly transfers funds between two bank accounts on a mobile platform. The **NPCI keeps a record of all the accounts and transactions**.

- **Facebook Fraud**

Cases have been reported of fake Facebook accounts where **money has been fraudulently asked for the treatment of alleged patients** by hacking their accounts.

- **Zoom App Mishap**

- The **Computer Emergency Response Team-India (CERT-In)** circulated a **vulnerability note** giving Zoom a **'medium' security rating**.
- The permission to Zoom for accessing the user's microphone, web-cam and data storage can result in hijacking and loss of private data.
- **'Zoomraiding' or 'Zoombombing'** can be started, in which hate speech, pornography or other content is suddenly flashed by disrupting a video call on Zoom.
- In the app, meeting IDs can be shared through a link, on screen and other mediums which give the **chances to uninvited guests to join a meeting and gain access to sensitive information**.

### Solutions

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- **Payments Related:**

**Verification of the destination UPI ID, blocking a stolen mobile phone with a UPI-enabled app and adherence to the KYC guidelines** issued by the RBI.

- **Social Media Related:**

**Following best practices to protect privacy.**

- **Videoconferencing Related:**  
**Staying cautious while using free apps for confidential meetings and using organisational infrastructure** to ensure authentication, access control and integrity of data through VPN or other options.
- **Interpol's Advisory**
  - People are **recommended** to avoid opening suspicious emails and clicking links in unrecognised emails and attachments, backup files regularly, use strong passwords, keep softwares updated, etc.
  - In guidelines for law-enforcement agencies, **Interpol warned about the emerging trend of false or misleading advertisements** about medical products, setting up of fraudulent e-commerce platforms, phishing etc during the **pandemic**.
  - A person should report the police immediately if he/she becomes the victim.  
Computer-related wrongs are covered under the **Information Technology Act (IT Act), 2000** and wrongdoers are liable for penalty, compensation and criminal liability in appropriate cases.

**Source: IE**

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## Launch of CollabCAD in Atal Tinkering Labs

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### Why in News

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**Atal Innovation Mission, NITI Aayog** and the **National Informatics Centre (NIC)** have **jointly** launched **CollabCAD in Atal Tinkering Labs (or ATL schools)** to provide students experience in creating and modifying 3D designs.

### Key Points

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- **CollabCAD** is a collaborative network enabled and desktop **CAD (Computer -Aided Design)** software system, which provides a total engineering solution from 2D drafting & detailing to 3D printing.
  - **3D printing** or additive manufacturing is a process of making three dimensional solid objects from a digital file.
  - 3D printing has been used to create car parts, smartphone cases, fashion accessories, medical equipment and artificial organs.
- **Developed By:** It is an initiative of National Informatics Centre (Ministry of Electronics and Information Technology), New Delhi, **Bhabha Atomic Research Centre** (Department of Atomic Energy), Navi Mumbai and Vikram Sarabhai Space Centre (Department of Space, ISRO), Thiruvananthapuram.
- **Rationale Behind Launch in ATL Schools:** To provide a great platform to students of Atal Tinkering Labs (ATLs) across the country to create and modify 3D designs with free flow of creativity and imagination.
- This software would also enable students to create data across the network and concurrently access the same design data for storage and visualization.

## Atal Tinkering Labs

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- **Atal Innovation Mission** has established Atal Tinkering Laboratories (ATLs) in schools across India. The objective of this scheme is to foster curiosity, creativity and imagination in young minds; and inculcate skills such as design mindset, computational thinking, adaptive learning, physical computing etc.
  - Atal Innovation Mission (AIM) is **Government of India's flagship initiative** to promote a **culture of innovation and entrepreneurship in the country**.
  - **AIM's objective** is to develop new programmes and policies for fostering innovation in different sectors of the economy, provide platform and collaboration opportunities for different stakeholders, create awareness and create an umbrella structure to oversee the **innovation ecosystem of the country**.
- ATL is a work space where young minds can give shape to their ideas through hands on do-it-yourself mode; and learn innovation skills. Young children get a chance to work with tools and equipment to understand the concepts of **STEM (Science, Technology, Engineering and Math)**.
- AIM provides **grant-in-aid** that includes a one-time establishment cost of Rs. 10 lakh and operational expenses of Rs. 10 lakh for a maximum period of 5 years to each ATL.
- In light of the current situation (Covid-19), the ATL program has launched a '**Tinker from Home**' campaign to ensure that the children across the county have access to useful easy-to-learn online resources to keep themselves fruitfully occupied.

AIM has also launched the **Game Development module** as part of the 'Tinker from Home' campaign. It is an online platform through which students can learn to create their own games and also share it with others. This platform envisages to make students transition from 'game players' to 'game makers'.

**Source: PIB**

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## Lockdown Extended

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### Why in News

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Recently, the **National Disaster Management Authority (NDMA)** has issued an order under the Disaster Management (DM) Act, 2005.

The order has directed the Chairman of the **National Executive Committee**, that existing lockdown measures be continued to be implemented in all parts of the country till May 3,2020.

### Key Points

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- The order is in response to the **Prime Minister's** announcement that the lockdown measures imposed to contain the spread of **Covid-19 pandemic** would have to be extended till May 3,2020.
- The **Ministry of Home Affairs (MHA)** has issued the order to all States and Union Territories (UTs) that with the extension of the lockdown, all restrictions that have been imposed in various sectors, and on various activities, **will continue to remain in force**.
- The first set of such guidelines to be followed by States for containment of Covid-19 pandemic was issued on March 24,2020 under **the Disaster Management (DM) Act, 2005**, invoked for the first time in the country.

- The **DM Act, 2005** is a national law that empowers the Central Government to declare the entire country or part of it as affected by a disaster and to make plans for mitigation to reduce “risks, impacts and effects” of the disaster.

**Covid-19** has been declared as a **national disaster**.

## National Executive Committee

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- A National Executive Committee (NEC) is constituted under **Section 8 of the DM Act, 2005** to assist the National Disaster Management Authority in the performance of its functions.
- Union Home secretary is its **ex-officio chairperson**.
- NEC has been given the responsibility to act as **the coordinating and monitoring body for disaster management**, to prepare a National Plan, monitor the implementation of National Policy etc.

## National Disaster Management Authority

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- NDMA is the **apex statutory body** for disaster management in India, under the **Ministry of Home Affairs**.
- The NDMA was formally constituted on 27<sup>th</sup> September 2006, in accordance with the **Disaster Management Act, 2005** with the Prime Minister as its Chairperson and nine other members, and one such member to be designated as Vice-Chairperson.
- **Mandate:** Its primary purpose is to coordinate response to natural or man-made disasters and for capacity-building in disaster resiliency and crisis response. It is also the apex body to lay down policies, plans and guidelines for Disaster Management to ensure timely and effective response to disasters.
- **Vision:** To build a safer and disaster resilient India by a holistic, proactive, technology driven and sustainable development strategy that involves all stakeholders and fosters a culture of prevention, preparedness and mitigation.

**Source: TH**

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## ICMR Advises ‘Pool Testing’ of Covid-19

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### Why in News

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The **Indian Council of Medical Research (ICMR)** has advised the feasibility of using **pooled samples** for molecular testing of **Covid-19** citing the **rise of cases in India**.

The advisory also stated that it is important to increase the number of tests being done in laboratories in India.

### Pool Testing

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- A pooled testing algorithm involves the **Polymerase Chain Reaction (PCR)** screening of a specimen pool **comprising multiple individual patient specimens, followed by individual testing (pool de-convolution)** ONLY IF a **pool screens positive**.

- As all individual samples in a negative pool are regarded as negative, it results in **substantial cost savings** when a large proportion of pools tests negative.
- This method is effective in two ways. First, it **increases the capacity of testing** and second, it **saves a lot of resources — time, cost and manpower.**

## Advisory

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- **Maximum Number of Samples:** Pooling of more than 5 samples is not recommended to avoid the effect of **dilution leading to false negatives.**
- **Pooling & Positivity Rates:** The ICMR has suggested **three different approaches** based on the **percentage of positive cases.** These are:
  - Pooling of samples should be done only in areas with **low prevalence of Covid-19** (initially using a proxy of low positivity of <2% from the existing data).
  - In areas with **positivity of 2-5%**, sample pooling for PCR screening may be considered only in community survey or surveillance among asymptomatic individuals, strictly excluding pooling samples of individuals with known contact with confirmed cases, Health Care Workers (in direct contact with care of COVID-19 patients). Sample from such individuals should be directly tested without pooling.
  - Pooling of samples is **not recommended** in areas or populations with **positivity rates of >5% for Covid-19.**

**Source: TH**

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## Test Positivity Rate

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### Why in News

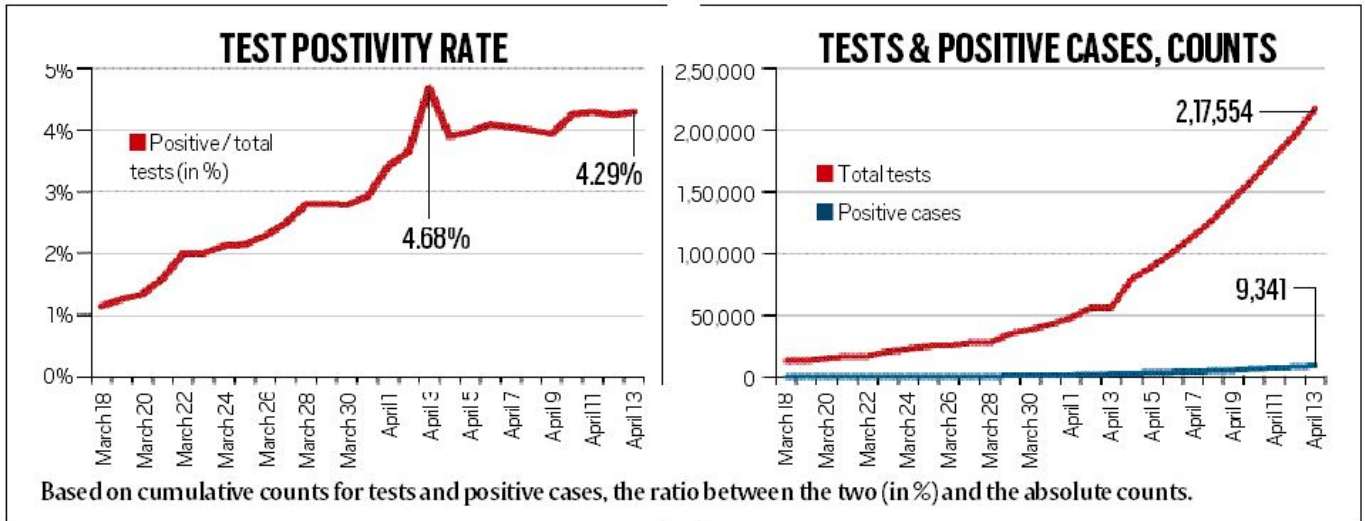
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Recently, the **Indian Council of Medical Research** (ICMR) has observed that the **test positivity rate** had **not changed substantially** over the last one to two months, **maintaining between 3% and 5%.**

### Key Points

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- **Test Positivity Rate:**
  - It is the **proportion of positive cases among all tests done.**
  - It is taken to be a useful indicator if a substantial section of suspected cases has been tested.
  - It is **one among the measures for assessing the spread of an infection.**
- From data on tests for **Covid-19** and positive cases between 18<sup>th</sup> March and 13<sup>th</sup> April, it emerges that the test positivity rate in India has been between 1.1% and 4.3% (ratios based on cumulative counts until any date).
- If **more people are tested** and the **positivity rate remains the same**, it's a **clue that the infection is where it was and is not expanding.**
  - A sudden spike in the infection spread would be an alarming concern.



### Indian Council of Medical Research

- It is the **apex body** in India for the **formulation, coordination and promotion of biomedical research**.
- Its mandate is to conduct, coordinate and implement medical research for the benefit of the society, translating medical innovations into products/processes and introducing them into the public health system.
- It is **funded by the Government of India through the Department of Health Research, Ministry of Health & Family Welfare**.

**Source: IE**

### Recovery Curve and Case Rate Curve

#### Why in News

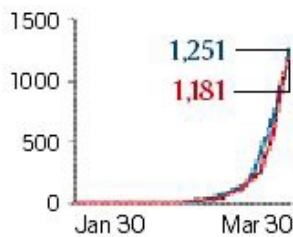
The recovery rate of **Covid-19** patients in **India aligns closely with the curve of confirmed cases**, with a **lag of two weeks**, according to an examination of absolute numbers of the cases.

## RECOVERY CURVES: INDIA AND WORLD

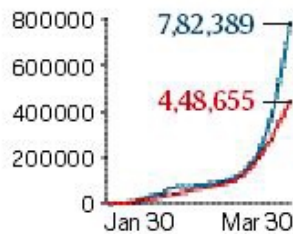
- Cases
- Recovered 14 days later

Dates on x-axis correspond to graph of cases only. Graph of recovered based on extrapolated data from 14 days later.

### India: Cases and recovered



### World: Cases and recovered



## Key Points

- For making the **global comparison**, data from the **Johns Hopkins University database** was used.
- Mapping the **global number of Covid-19 patients who recovered** largely mimics the **global case load**, with a **14-day lag**.
  - However, the **high recovery rate does not take into account the severity of the disease** during the recovery process.
- Indian graph shows that the **mortality rate in India is lower than global rates**, so far.
- The graph for global rates shows the **overall recovery rate as significantly flatter than the caseload**.
  - The **cases worldwide are growing** exponentially but the global recovery rate has begun to fall flat.
  - Globally, there is **considerable research on the mortality of Covid-19** but there is **less literature to help understand the patterns of recovery**.

- **Science of the Curves:**

- The two curves would **align exactly** if **everyone who fell sick on Day 1 recovered 14 days later**.
- Any **discrepancy** between the two lines is either **due to people who fell sick and died**, or **people who recovered earlier or later than the mean period of 14 days**.
- People who recover before 14 days and the people who recover after 14 days, almost balance out each other and do not hamper the curve.
- This **leaves only accounting for those who die**.

This is probably why the recovered curve is lower than the infected curve in the global figure.

- **Recovery Time for Covid-19**

- There is **no established recovery time** of Covid-19 patients.  
**Recovery** is measured by a **patient no longer showing symptoms** and **having two consecutive negative tests for the virus at least one day apart**.
- According to an early **World Health Organisation** (WHO) report, **mild cases** have a recovery time of **roughly two weeks** and **severe cases** have the recovery time of somewhere **between three to six weeks**.
- However, **countries measure recovery differently**.
- The **number of the global recoveries** will inevitably be an **estimate** in the **absence of global recovery rates by the WHO** and **uniform methods of reporting recoveries**.

Source: IE

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## Crowdfunding

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### Why in News

Recently, a 11 year old girl from Hyderabad has collected ₹6.2 lakh using crowdfunding to buy food for the less fortunate during the **lockdown**.

### Key Points

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- **Crowdfunding** is a method of raising capital through the collective effort of a **large number of individual investors**.
- This approach taps into the collective efforts of a large pool of individuals, primarily **online via social media** and crowdfunding platforms and leverages their networks for greater reach and exposure.

### Types of Crowdfunding

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The 3 primary types of crowdfunding are **donation-based, rewards-based, and equity-based.**

- **Donation-Based Crowdfunding:** Donation-based crowdfunding is a way to source money for a project by asking a large number of contributors to individually donate a small amount to it. In return, the backers may receive token rewards that increase in prestige as the size of the donation increases. For the smallest sums, however, the funder may receive nothing at all.
- **Rewards-Based Crowdfunding:** Rewards-based crowdfunding involves individuals contributing to a business in exchange for a “**reward,**” typically a **form of the product or service which company offers.** Even though this method offers backers a reward, it’s still generally considered a subset of donation-based crowdfunding since **there is no financial or equity return.**
- **Equity-Based Crowdfunding:** Unlike the donation-based and rewards-based methods, equity-based crowdfunding allows contributors to become **part-owners of the company by trading capital for equity shares.** As equity owners, the contributors receive a financial return on their investment and ultimately receive a **share of the profits in the form of a dividend or distribution.**

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## Benefits of Crowdfunding

From tapping into a wider investor pool to enjoying more flexible fundraising options, there are a number of **benefits to crowdfunding** over traditional methods:

- **Reach** – By using a crowdfunding platform, one has access to thousands of accredited investors who can see, interact with, and share the fundraising campaign.
- **Presentation** – By creating a crowdfunding campaign, one goes through the invaluable process of looking at the business from the top level—its history, traction, offerings, addressable market, value proposition, with digestible packages.
- **PR & Marketing** – From launch to close, one can share and promote the campaign through social media, email newsletters, and other online marketing tactics.
- **Validation of Concept** – Presenting the concept or business to the masses affords an excellent opportunity to **validate and refine offering.**
- **Efficiency** – One of the best things about online crowdfunding is its ability to **centralize and streamline fundraising efforts.**

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## NIC and Covid-19

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### Why in News

According to the **National Informatics Centre (NIC)**, traffic on the websites of the **Ministry of Health & Family Welfare** and the **Indian Council of Medical Research (ICMR)** has gone up significantly as people looked for information about **Covid-19.**

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### Key Points

- Citizens look up to a source of **genuine information** on the pandemic.

- Various State centres of the NIC are working with the **State governments to develop tracking and management portals** to help the State and the district administration to combat the pandemic.
  - This is done on similar lines of those already launched in **Kerala and Meghalaya**.
  - **For example, Covid-19 Jagratha:** This portal was launched in Kerala.
 

It is a one stop platform for the public to avail emergency services and information related to Covid-19 and ensures transparency and quality in public services and welfare measures.
- **NIC also highlighted some of the challenges of Work From Home(WFH) such as:**
  - **Configuration Challenges:** Configuring **Virtual Private Network (VPN)** access — core to enabling government employees to work from their homes — to a large number of employees in a span of three or four days.
 

A VPN provides **online privacy and anonymity** by creating a private network from a public internet connection.
  - **Limited Manpower:** Given most of the members at NIC were also working from home, executing change at different levels was difficult with a **limited manpower**.
  - **Logistical Constraints: Availability of laptops or a home desktop** for every resource was another challenge.
- Apart from increased traffic on ICMR's and Health Ministry's website, **NIC's videoconferencing service** is also being extensively used due to social distancing norms.
 

The videoconferencing service used by government officials, including the **President and the Prime Minister, besides Union Ministers, Governors and Chief Ministers**.

### **National Informatics Centre**

- NIC provides **network backbone and e-Governance** support to the Central Government, State Governments and UT Administrations.
- NIC has been closely associated with the Government in different aspects of Governance besides establishing a **Nationwide State-of-the-Art information and communication technology (ICT) Infrastructure**.
- it has also built a large number of digital solutions to support the government at various levels, making the **last-mile delivery of government services to the citizens a reality**.
- It is under the aegis of the **Ministry of Electronics and Information Technology**
- It was established in 1976 and is located in New Delhi.

**Source: TH**

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