

News Analysis (28 May, 2020)

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USA Offers Mediation Between India and China

Why in News

Recently, the USA President has offered to mediate between India and China over the Indo-China border standoff.

The offer has come in the backdrop of the **ongoing standoff between India and <u>China</u>** along the **<u>Line of Actual Control (LAC)</u>**.

Background

- Currently, India and China faces standoff at least **four points** along the LAC, including Pangong Tso lake, Demchok and Galwan Valley in Ladakh and Naku La in Sikkim.
- The tensions between two countries escalated along the LAC after **China ordered the** military to scale up battle preparedness and asked it to resolutely defend the country's sovereignty.

Subsequently, India has also increased its presence on the boundary with China in North Sikkim, Uttarakhand, Arunachal Pradesh, along with Ladakh.

• So far, at least six rounds of talks have been held between Indian and Chinese military commanders in Ladakh on the ground but have failed to achieve a breakthrough.

• Offer by USA:

- The USA President has informed both India and China that the United States is willing and able to mediate or arbitrate their raging border dispute.
- It is the **first time** that the USA made such an offer to **India and China**, referring to the LAC situation as a "raging border dispute".
 - In the past, the USA had offered to mediate between India and Pakistan over Kashmir but it was rejected by India. India had cleared its position stating that the issue can only be discussed bilaterally.
- The offer comes amid ongoing issues between the USA and China over the origin of **Covid-19** and trade tensions between the two countries.
- Recently, the USA's National Security Adviser also said that the U.S. could impose sanctions on both Beijing and Hong Kong, if China were to go ahead and impose a <u>national security law on Hong Kong</u>.

• China's Stand:

- China has cleared that both countries would resolve the standoff bilaterally. It
 has also stated that the situation at the border with India is "overall stable and
 controllable".
- It has also stated that India and China have good border related mechanisms and communication channels and any issue can be resolved through dialogue and consultation.

• India's Stand:

- India has **not given any official response** to the USA's offer for mediation between India and China.
- But, in the past **India has rejected all offers** for third party mediation.
- India has been carrying out high level meetings to open diplomatic channels to resolve the issue peacefully.

Way Forward

- The differing accounts in national and international media of escalation and continuing stalemate has created uncertainty in the scenario.
- In the <u>Wuhan</u> and <u>Mahabalipuram</u> summits, both China and India had reaffirmed that they will make efforts to ensure peace and tranquility in the border areas.
- Both countries have resolved border issues peacefully in the past four decades which gives the hope that the tensions will subside soon.
- The peaceful resolution between India and China is essential for their own growth and development as well as for maintenance of global peace.

Source:IE

Why in News

An invasive species named **Charru mussel** (**Mytella strigata**), native to the South and Central American coasts, is spreading quickly in the backwaters of Kerala.

Key Points

• Reasons for the spread:

• The Charru mussel may have reached the Indian shores attached to ship hulls or as larval forms in ballast water discharges.

Ballast is the seawater that ships carry to improve stability.

 Cyclone Ockhi which struck the region (South India, Sri Lanka, Maldives) in 2017, may have sped up their invasion.

• Areas impacted:

 The surveys conducted in Kerala has found presence of Charru mussel in many estuaries/backwaters of Kerala, which include Kadinamkulam, Paravur, Edava-Nadayara, Ashtamudi, Kayamkulam, Vembanad, Chettuva and Ponnani etc.

The backwaters of Kerala comprise stretches of lakes, canals and lagoons located parallel to the coast of the Arabian Sea.

 Ashtamudi Lake, a <u>Ramsar site</u> in Kollam district is the worst-hit due to Charu mussel. Here, <u>Charru mussel has replaced the Asian green mussel</u> (Perna viridis) and the <u>edible oyster Magallana bilineata</u> (known locally as muringa).

• Concerns:

- The proliferation of Charu mussel poses a serious threat to the endemic species diversity of brackish water habitats of Kerala coast.
- This invasive species is forcing out **other mussel** and **clam species** in the backwaters and threatening the livelihoods of fishermen engaged in molluscan fisheries.
 - In Ashtamudi lake, the **short-necked clam fisheries** has obtained an **eco label** from the **Marine Stewardship Council** and about 3,000 people are dependent on fisheries here.
 - "Ecolabelling" is a voluntary method of environmental performance certification and labelling that is practised around the world.
 - An ecolabel identifies products or services proven environmentally preferable overall, within a specific product or service category.
 - The Marine Stewardship Council is an independent non-profit organization which sets a standard for sustainable fishing. It is headquartered in London.
- In such a scenario, the fast-breeding Charru mussel could be seen as a 'pest' attack on clam fishery.

Invasive Species

- An invasive species is an organism that is not indigenous, or native, to a particular area and causes harm.
- They are capable of causing extinctions of native plants and animals, reducing biodiversity, competing with native organisms for limited resources, and altering habitats.
- They can be introduced to an area by ship ballast water, accidental release, and most often, by people.

Mussel

• Mussel is a common name for numerous **bivalve mollusks** belonging to the **marine family Mytilidae** and to the **freshwater family Unionidae**.

Mollusks are **soft-bodied invertebrates of the phylum Mollusca**, usually **wholly or partly enclosed in a calcium carbonate shell** secreted by a soft mantle covering the body.

- Worldwide, they are most **commonly found in cool seas.**
- In India, two species of marine mussels, **green mussel** (*Perna viridis*), and the **brown mussel**, (*P. indica*) are found in the coastal areas.

Farming of green mussels is now established as a commercial practice in India.

- The Charru mussel is native to the South and Central American coast.
 - Their colour varies from black to brown, purple or dark green.
 - They can survive in a range of salinity and temperature but cannot survive beyond 36 degree celcius.

Way Forward

- Completely eradicating the Charru mussel from Indian waters is going to be nearly impossible, so limiting its spread is crucial.
- There is also a need to promote studies on invasion biology and strengthen awareness on marine invasive species.

Source: TH

MSMEs Loans to Get 'Risk-Free' Tag

Why in News

The <u>Reserve Bank of India (RBI)</u> is likely to allow banks to assign zero risk weight for loans that will be extended to the <u>Micro, Medium and Small Enterprises (MSMEs)</u> under the **Rs.20 lakh crore economic package** announced by the Union government.

Key Points

- As a part of the package, a Rs.3 lakh crore loan for the MSME sector was announced.
- However, such loans **would attract a risk weight of a minimum 20%** since these loans **did not come with direct government guarantee.**
 - The claims will not be settled unconditionally. The government will ask questions and see the loan appraisal process once a claim is made when the borrower defaults.
 - And, if the claim is not settled, banks have to make provision in line with the age of default.
- This facility is similar to the loans that are guaranteed by the **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE).**
- The government has made available a corpus of Rs. 41,600 crore for the Rs. 3 lakh crore scheme. The **government is factoring in less than 15%** <u>non-performing</u> assets, as of now.
- After banks highlighted the issue of risk weight associated with the loan with the government, the government has asked the RBI to waive the requirement of assigning a risk weight to the loans.

• Benefit:

- Zero risk would mean that banks will not have to set aside additional capital for these loans.
- The move will encourage lenders to extend credit, as banks have turned risk averse and have been reluctant to lend.

• Rs. 3 lakh crore scheme

- Under the scheme, 100% guarantee coverage will be provided by the National Credit Guarantee Trustee Company Limited (NCGTC) to eligible MSMEs, in the form of a <u>Guaranteed Emergency Credit Line (GECL) facility</u>.
- Though primarily meant for the MSME sector, other small borrowers including the <u>Non-banking Financial Companies (NBFCs)</u> can also avail themselves of the scheme.
- The **tenure of loan under this scheme is four years** with a moratorium period of one year on the principal amount.
- The scheme would be applicable to all loans sanctioned under GECL till 31st October, 2020 or till an amount of Rs.3 lakh crore is sanctioned, whichever is earlier.

Credit offered by CGTMSE

- Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) was set up by the Government of India and Small Industries Development Bank of India (SIDBI).
- CGTMSE has introduced a new "Hybrid Security" product allowing guarantee cover for the portion of the credit facility not covered by collateral security.
- In the partial collateral security model, the Member Lending Institutions (MLIs) will be allowed to obtain collateral security for a part of the credit facility, whereas the remaining part of the credit facility, up to a maximum of Rs. 200 lakh, can be covered under Credit **Guarantee Scheme** of CGTMSE.
- The main objective is that the **lender should give importance to project viability** and secure the credit facility purely on the primary security of the assets financed.
- The other objective is that the **lender availing guarantee facility should endeavor to give composite credit to the borrowers** so that the borrowers obtain both term loan and working capital facilities from a single agency.

National Credit Guarantee Trustee Company Limited

- National Credit Guarantee Trustee Company Limited (NCGTC) is a Union Government Company. It is classified as a company limited by shares.
- It was set up by the Government of India to, inter alia, act as a common trustee company to manage and operate various credit guarantee trust funds.

Source: TH

Antitrust Case Against Google

Why in News

Recently, the **Competition Commission of India** (CCI) has started looking into allegations against the **Alphabet Inc's Google.**

According to the allegations, Google is **abusing its market position to unfairly promote its mobile payments app** (Google Pay) in the country.

- The complaint alleges the USA tech giant more prominently showcases its Google
 Pay app inside its Android app store in India, giving it an unfair advantage over apps of competitors.
 - Google Pay allows users to do <u>digital transactions</u>, inter-bank fund transfers and bill payments.
 - It **competes with** Softbank-backed Paytm and Walmart's PhonePe, both of which are prominently used in India.
 - Facebook's WhatsApp is also planning a similar service in the near future.
- Google has not responded to the allegations yet and is expected to respond in due course.
- The CCI can direct its investigations unit to conduct a wider probe into the allegations or dismiss the case if it finds no merit in it. Google will appear before the CCI, which will then decide on the way forward.
- This is Google's third major antitrust challenge in India.
 - In 2018, the CCI fined Google \$21 million for 'search bias'.
 It was alleged that Google was indulging in abuse of a dominant position in the market for online search through practices leading to search bias and search manipulation, among others.
 - In 2019, the <u>CCI started probing Google</u> for allegedly misusing its dominant position to reduce the ability of smartphone manufacturers to opt for alternate versions of its Android mobile operating system.

Antitrust Law

- Antitrust law, also referred to as Competition law, aims to protect trade and commerce from unfair restraints, monopolies and price-fixing.
- It **ensures that fair competition** exists in an open-market economy.
- The Competition Act, 2002 is India's antitrust law. It repealed and replaced the Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act) on the recommendations of the Raghavan committee.

The Competition Act, 2002

- It was passed in **2002** and was amended by the **Competition (Amendment) Act, 2007.** It follows the philosophy of modern competition laws.
- The Act **prohibits** anti-competitive agreements, abuse of dominant position by enterprises and regulates combinations, which causes or likely to cause an appreciable adverse effect on competition within India.
- In accordance with the provisions of the Amendment Act, the Competition
 Commission of India and the Competition Appellate Tribunal (COMPAT) were established.

• The government **replaced COMPAT** with the **National Company Law Appellate Tribunal** (NCLAT) in 2017.

Competition Commission of India

- It is a **statutory body** responsible for enforcing the objectives of the **Competition Act, 2002.**
- **Composition:** A Chairperson and 6 Members appointed by the Central Government.
- Objectives:
 - To eliminate practices having adverse effects on competition.
 - Promote and sustain competition.
 - Protect the interests of consumers.
 - Ensure freedom of trade in the markets of India.
- The Commission is also required to give an opinion on competition issues on a
 reference received from a statutory authority established under any law and to
 undertake competition advocacy, create public awareness and impart training on
 competition issues.

Source: TH

World Dugong Day 2020

Why in News

World Dugong Day is celebrated on 28th May, every year.



- **Dugong** (*Dugong dugon*) also called **'Sea Cow'** is one of the four surviving species in the Order Sirenia and it is the **only existing species of herbivorous mammal that lives exclusively in the sea** including in India.
- They are listed as **Vulnerable** on the **IUCN Red List** and are protected in **India** under **Schedule I** of the **Wild (Life) Protection Act, 1972**.
- According to a 2013 survey report of the Zoological Survey of India (ZSI), there were only about 200 dugongs in the Gulf of Mannar in Tamil Nadu, the Andaman and Nicobar Islands and the Gulf of Kutch in Gujarat.
- Dugongs are an **important part of the marine ecosystem** and their depletion will have effects all the way up the food chain. **Proper conservation** is the only way to save dugongs from extinction.

• Threats:

 Dugongs graze on seagrass and the loss of seagrass beds due to ocean floor trawling is one of the most important factors behind decreasing dugong populations in many parts of the world.

Trawling is a **method of fishing** that involves **pulling a fishing net through the water** behind one or more boats. It is **harmful to the environment** because it damages the seafloor, coral reefs and other marine animals.

 Human activities such as the destruction and modification of habitat, pollution, rampant illegal fishing activities, vessel strikes, unsustainable hunting or poaching and unplanned tourism are the main threats to dugongs.

Dugong meat is consumed under the wrong impression that it cools down human body temperature.

• Steps Taken for Conservation:

- In February 2020, India hosted the <u>13th Conference of Parties</u> (CoP) of the <u>Convention on the Conservation of Migratory Species of Wild Animals</u> (CMS), an environmental treaty under the aegis of the <u>United Nations</u> <u>Environment Programme</u> (UNEP).
 - The Government of India is a **signatory to the CMS since 1983.**
 - India has signed **non-legally binding Memorandums of Understanding** (MoU) with CMS on the conservation and management of **Siberian Cranes** (1998), **Marine <u>Turtles</u>** (2007), **Dugongs** (2008) and **Raptors** (2016).
- The Ministry of Environment, Forests and Climate Change constituted a
 'Task Force for Conservation of Dugongs' to look into issues related to
 conservation of dugongs and implementation of the 'UNEP/CMS Dugong MoU' in
 India.

It also facilitates **India to act as the leading nation in the South Asia Sub-region** with respect to dugong conservation.

Source: DTE

Tianwen-1: China's Mars Mission

Why In News

China will launch its first Mars Mission - Tianwen-1- in July, 2020.

- China's previous 'Yinghuo-1' Mars mission, which was supported by a Russian spacecraft, had failed after it did not leave the earth's orbit and disintegrated over the Pacific Ocean in 2012.
- The **National Aeronautics and Space Administration (NASA)** is also going to launch its own Mars mission in July, the **Perseverance** which aims to collect Martian samples.

Key Points

• The Tianwen-1 Mission:

- It will lift off on a **Long March 5 rocket**, from the Wenchang launch centre.
- It will carry 13 payloads (seven orbiters and six rovers) that will explore the planet.
- It is an all-in-one orbiter, lander and rover system.
 - **Orbiter:** It is a spacecraft designed to orbit a celestial body (astronomical body) without landing on its surface.
 - Lander: It is a strong, lightweight spacecraft structure, consisting of a base and three sides "petals" in the shape of a tetrahedron (pyramid-shaped). It is a protective "shell" that houses the rover and protects it, along with the airbags, from the forces of impact.
 - **Rover:** It is a planetary surface exploration device designed to move across the solid surface on a planet or other planetary mass celestial bodies.

• Objectives:

- The mission will be the first to place a ground-penetrating radar on the Martian surface, which will be able to study local geology, as well as rock, ice, and dirt distribution.
- It will search the martian surface for water, investigate soil characteristics, and study the atmosphere.

• Landing on Mars:

- The mission is expected to land on the surface of Mars in the first quarter of 2021.
- The success of the mission will make China the third country to achieve a Mars landing after the USSR (the former Eurasian empire) and the United States of America.

Mars

• Size and Distance:

- It is the **fourth planet from the Sun** and the second-smallest planet in the Solar System.
- Mars is about half the size of Earth.

Similarity to the Earth (Orbit and Rotation):

- As Mars orbits the Sun, it completes one rotation every 24.6 hours, which is very similar to one day on Earth (23.9 hours).
- Mars' axis of rotation is tilted 25 degrees with respect to the plane of its orbit around the Sun. This is similar with Earth, which has an axial tilt of 23.4 degrees.
- Like Earth, Mars has distinct seasons, but they last longer than seasons on Earth since Mars takes longer to orbit the Sun (because it's farther away).
- Martian days are called **sols**—short for 'solar day'.

• Surface:

- It has colors such as brown, gold and tan. The reason Mars looks reddish is due to oxidation or rusting of iron in the rocks, and dust of Mars. Hence it is also called **Red Planet.**
- Mars has the largest volcano in the solar system i.e. Olympus Mons. It's three times taller than Earth's Mt. Everest with a base the size of the state of New Mexico.

• Atmosphere:

- Mars has a thin atmosphere made up mostly of carbon dioxide, nitrogen and argon gases.
- The temperature on Mars can be as high as (20 degrees Celsius) or as low as about -153 degrees Celsius. This is because the thin atmosphere gives an easy escape to sun heat.

• Magnetosphere:

Mars has no magnetic field till date, but areas of the Martian crust in the southern hemisphere are highly magnetized, indicating traces of a magnetic field.

Moons: Mars has two small moons, Phobos and Deimos, that may be captured
asteroids.

Previous Mars Missions

- The **Soviet Union in 1971** became the first country to carry out a Mars landing, **Mars 3.**
- The second country to reach Mars's surface is the **United State of America (USA).**Since 1976, it has achieved 8 successful Mars landings, the latest being the 'InSight' in 2019.
- European Space Agency has been able to place their spacecraft in Mars's orbit through the **Mars Express** Mission.

- India's Mars Orbiter Mission (MOM) or Mangalyaan:
 - It was launched from the Satish Dhawan Space Centre in Andhra Pradesh by <u>Indian Space Research Organisation</u> in November 2013.
 - It was launched on board a PSLV C25 rocket with aim of studying Martian surface and mineral composition as well as scan its atmosphere for methane (an indicator of life on Mars).

Source: IE

National Highways Authority of India

Why in News

The National Highways Authority of India (NHAI) has directed its Regional Officers (ROs) and Project Directors (PDs) to undertake maintenance of the National Highways ahead of the monsoon season.

NHAI will be monitoring the progress through its **Project Management Software – Data Lake** where pictures of before and after repair works would be uploaded, apart from other repair related information.

Key Points

- National Highways Authority of India (NHAI) was set up under **NHAI Act, 1988.** It is under the administrative control of the Ministry of Road Transport and Highways.
- It has been entrusted with the **National Highways Development Project**, along with other minor projects for development, maintenance and management.

National Highways Development Project (NHDP) is a project to upgrade, rehabilitate and widen major highways in India to a higher standard. The project was **started in 1998.**

- NHAI maintains the National Highways network to global standards and cost effective manner and promotes economic well being and quality of life of the people.
- It has completed construction of 3,979 km of national highways in the financial Year 2019-20.

- NHAI has mandated development of about 27,500 km of national highways under <u>Bharatmala Pariyojna Phase-I</u>.
 - Bharatmala Pariyojana is an umbrella program for the highways sector that focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions.
 - The effective interventions include development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Green-field expressways.

National Highways

- National Highways (NH) are the arterial roads of the country for inter-state movement of passengers and goods.
- They traverse the length and width of the country connecting the National and State capitals, major ports and rail junctions and link up with border roads and foreign highways.
- The NHs including Expressways constitute only about **1.7% of the length of all roads**, they carry about **40% of the road traffic.**

Source:PIB

Unified Mobile Application for New-age Governance: Umang Mobile App

Why in News

Recently, the Ministry of Electronics and Information Technology (MeitY) has added the **Indian Meteorological Department (IMD)** weather services to the Umang Mobile App.

- By using the IMD services on the App the users will be able to check the weather forecast of their city in advance.
- It will forecast 7 weather related services including current weather, rainfall information, warnings, cyclones, etc.
- This digital initiative of IMD would provide weather service with detailed information such as humidity, sunrise, sunset, temperature etc.
- The forecast services would help in predicting a seven days forecast in advance of any city along with past 24 hours of weather data.

- It would be **significant for the farmers** to get timely updates regarding the weather conditions and in taking the precautions.
- Overall it would help in the **prevention of lives**, **livelihood and loss of property** due to extreme weather conditions.
- Umang App provides a single platform for all Indian citizens to access pan India <u>e-</u>
 <u>Government services</u> ranging from central to local government bodies and other
 citizen centric services.

Unified Mobile Application for New-age Governance: The UMANG Mobile App

- It is a unified, secure, multi-channel, multi-platform, multi-lingual, multi-service mobile app.
- It is a Digital India initiative of the Ministry of Electronics and Information Technology (MeitY) launched in 2017.

Features:

- It provides seamless integration with popular customer centric services like Aadhaar and Digilocker.
- It provides a unified approach where one can install one application to avail multiple government services.
- It can be accessed on multiple channels like mobile application, web, and SMS which can be accessed through smartphones, tablets and desktops.
- It has a rich multimedia interface with a focus on maximizing usability and enriching user experience.
- Services provided by the app: It is a unified application that can be used to avail a
 number of pan India e-government services such as: Filing income tax, <u>Employees</u>
 <u>Provident Fund Organization (EPFO)</u> services, <u>Aadhar</u>, <u>Pension</u>, <u>ePathshala</u>, eLand Records, <u>Crop Insurance</u> etc.

Source: PIB