

News Analysis (26 Sep, 2020)

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PCA Decision on Retrospective Taxation by India

Why in News

The **Permanent Court of Arbitration (PCA)** at The Hague (Netherlands) ruled that **India's** retrospective imposition of a tax liability, as well as interest and penalties on Vodafone Group for a 2007 deal was **violation of the <u>Bilateral Investment Treaty</u>** with Netherlands and the arbitration rules of **United Nations Commission on International Trade Law** (UNCITRAL).

Key Points

• About the Case:

- In May 2007, the British telecommunication company Vodafone Group had bought a 67% stake in a company called Hutchison Whampoa.
- For this, the Indian government for the first time raised a demand of capital gains and withholding tax from Vodafone, under the Income Tax Act of 1961. The government argued that Vodafone should have deducted the tax at source before making a payment to Hutchison.

Capital gains tax : It is the tax paid on income that derives from the sale or exchange of an asset, such as a stock or property that's categorized as a capital asset.

- In 2012, the **Supreme Court ruled in favour of the Vodafone** Group.
- Later, the **Finance Act was amended (2012)** giving the Income Tax Department the power to **retrospectively tax** such deals.
- Vodafone then initiated arbitration in 2014 invoking the **Bilateral Investment Treaty** signed between India and the Netherlands in 1995.
- Ruling: The International Arbitration Tribunal at Permanent Court of Arbitration ruled that the government's demand is in breach of fair and equitable treatment.
 - The government must **cease seeking the dues from Vodafone**.
 - This was a unanimous decision meaning that India's appointed arbitrator also ruled in favour of Vodafone.
- **Future Course for India:** India has said it would study the order and all its aspects and take a decision on further course of action including legal remedies before appropriate fora.
 - According to Indian Government, as Vodafone had not paid the initial tax demand and interest and penalty on it, the question of India paying back the amount does not arise.
 - India has the option to move to <u>Singapore International Arbitration Centre</u> as well.

• Retrospective Taxation:

- It allows a country to pass a rule on taxing certain products, items or services and deals and charge companies from a time **behind the date** on which the law is passed.
- Countries use this route to **correct any anomalies in their taxation policies** that have, in the past, allowed companies to take advantage of such **loopholes**.
- Retrospective Taxation **hurts companies** that had knowingly or unknowingly interpreted the tax rules differently.
- Apart from India, many countries including the USA, the UK, the Netherlands, Canada, Belgium, Australia and Italy have retrospectively taxed companies.

• Bilateral Investment Treaty:

- On 6th November, 1995, India and the Netherlands had signed a BIT for **promotion and protection of investment by companies of each country** in the other's jurisdiction.
- The two countries would ensure that companies present in each other's jurisdictions would at all times be accorded **fair and equitable treatment** and shall enjoy full **protection and security** in the territory of the other.
- The BIT between India and the **Netherlands expired on 22nd September, 2016**.
- Relation to Vodafone Case: Vodafone invoked BIT as its Dutch unit, Vodafone
 International Holdings BV, had bought the Indian business operations of Hutchison

 Telecommunication International Ltd. This made it a transaction between a Dutch firm and an Indian firm.

• United Nations Commission on International Trade Law:

- UNCITRAL was established in 1966 as a subsidiary body of the <u>United Nations General</u>
 <u>Assembly</u> (UNGA).
- It is the core legal body of the United Nations system in the field of international trade law.
- **Mandate:** To further the progressive harmonization and modernization of rules on international business and reform commercial laws.
- It adopted the **UNCITRAL Model Law on International Commercial Arbitration** in 1985 and **the UNCITRAL Conciliation Rules** in 1980.
- The UNGA has recommended the use of the said Model Law and Rules in cases where a dispute arises in the context of international commercial relations and the parties seek an amicable settlement of that dispute by recourse to conciliation.
- India has also incorporated these uniform principles of Arbitration and Dispute Resolution
 (ADR) in the <u>Arbitration and Conciliation Act</u>, 1996 which has been amended several
 times.

The Arbitration Act provides for ADR mechanisms like arbitration, conciliations, etc. for national and international stakeholders.

Significance

- Vodafone's win in the arbitration against the government in the retrospective taxation is very significant as it may cause other **similarly placed companies to seek arbitral reliefs**.
- India is entangled in more than a dozen such cases against companies over retrospective tax claims and cancellation of contracts. The exchequer could end up paying billions of dollars in damages if it loses.
- To reduce future arbitration claims, India has **ended such bilateral investment agreements with over 50 countries** and is working on a new law to protect foreign investors by **offering relief from possible policy changes** even as it **upholds the right to tax** them.
- The victory of Vodafone at PCA may provide it some relief as the telecom sector is already facing a
 number of <u>issues and challenges</u>. The ruling comes days after the Supreme Court allowed a
 period of <u>10 years for telecom companies to clear Adjusted Gross Revenue</u> (AGR)
 related dues, causing heavy financial <u>burden on the telecom sector</u>.

International Arbitration Tribunal

- It is an **independent non-governmental panel** of independent and impartial experts.
- It generally comprises three members nominated by the Parties (or appointed by the International Arbitration Institution, or by a National Court) on the basis of their legal and practical expertise and knowledge, to render a **final and binding award**.

Permanent Court of Arbitration

- Established in: 1899.
- **HQ:** The Hague, Netherlands.
- **Purpose:** It is an intergovernmental organization dedicated to serve the international community in the field of dispute resolution and to facilitate arbitration and other forms of dispute resolution between States.

- **Structure:** The PCA has a three-part organizational structure consisting of:
 - *Administrative Council* to oversee its policies and budgets,
 - Members of the Court a panel of independent potential arbitrators, and
 - *International Bureau* its Secretariat, headed by the Secretary-General.
- **Funds:** It has a **Financial Assistance Fund** which aims at helping developing countries meet part of the costs involved in international arbitration or other means of dispute settlement offered by the PCA.

Way Forward

India needs to craft meaningful and clear dispute resolution mechanisms in cross-border transactions to prevent the disputes from going to international courts, and save the cost and time expenditure. Improving the arbitration ecosystem will have a positive impact on **ease of doing business**.

Source: IE

Arrest Under Official Secrets Act

Why in News

Recently, Delhi police has arrested a strategic affairs analyst under the **Official Secrets Act (OSA)**, **1923** for passing information such as the deployment of Indian troops on the border to Chinese intelligence officers.

Key Points

- Official Secrets Act:
 - OSA broadly **deals with two aspects spying** or espionage and **disclosure of secret information** of the government.
 - However, the OSA does not define the secret information, the government follows the Manual of Departmental Security Instructions, 1994 for classifying a document as secret.
 - Generally **secret information includes** any official code, password, sketch, plan, model, article, note, document, or information.
 - If guilty, a person may get up to **14 years' imprisonment, a fine, or both**. Both the person communicating the information and the person receiving the information can be punished under the OSA.

Background:

- OSA has its roots in the British colonial era. The Indian Official Secrets Act (Act XIV),
 1889 was brought in, with the objective of muzzling the voice of a large number of newspapers that had come up in several languages, and were opposing the British policies.
- The Act XIV was amended and **made more stringent** in the form of The Indian Official Secrets Act, 1904, during Lord Curzon's tenure as Viceroy of India.
- In 1923, a newer version was notified, the Indian Official Secrets Act (Act No XIX of 1923).

It was **extended to all matters of secrecy and confidentiality** in governance in the country.

• Issues Involved:

- **Conflict with Right to Information Act:** It has often been argued that the OSA is in direct conflict with the **Right to Information (RTI) Act, 2005**.
 - Section 22 of the RTI Act provides for its primacy vis-a-vis provisions of other laws, including OSA. So if there is any inconsistency in OSA with regard to furnishing of information, it will be superseded by the RTI Act.
 - However, under **Sections 8 and 9 of the RTI Act**, the government can refuse information. Effectively, if the government classifies a document as secret under OSA, that document can be kept outside the ambit of the RTI Act, and the government can invoke Sections 8 or 9.
- **Misinterpretation of Breach of National Security: Section 5** of OSA, which deals with potential breaches of national security, is **often misinterpreted**.
 - The Section makes it a punishable offence to share information that may help an enemy state.
 - The Section comes in handy for booking journalists when they publicise information that may cause embarrassment to the government or the armed forces.

• Suggestions Made:

In 1971, the Law Commission in its report on 'Offences Against National Security',
observed that merely because a circular is marked secret or confidential, it should not attract
the provisions of the OSA if the publication thereof is in the interest of the public and no
question of national emergency and interest of the State as such arises.

The Law Commission, however, did not recommend any changes to the OSA.

• In 2006, the **2nd Administrative Reforms Commission (ARC)** recommended that **OSA be repealed,** and **replaced with a chapter in the <u>National Security Act</u>, 1980** containing provisions relating to official secrets.

It observed that **OSA was unsuitable with the regime of transparency** in a democratic society.

In 2015, the government had set up a committee to look into provisions of the OSA in light of
the RTI Act which submitted its report in June 2017, recommending that OSA be made
more transparent and in line with the RTI Act.

Way Forward

The definition of "secret" needs to be clearly defined in the OSA, so that there is no scope of misinterpretation. Also there is a need for OSA to be brought in line with the RTI Act.

Source: IE

Domestic Systemically Important Insurers

Why in News

The <u>Life Insurance Corporation of India</u> (LIC), General Insurance Corporation of India and The New India Assurance Co have been identified as **Domestic Systemically Important Insurers (D-SIIs) for 2020-21** by insurance regulator, the Insurance Regulatory and Development Authority of India (<u>IRDAI</u>).

The IRDAI would identify D-SIIs on an **annual basis** and disclose the names of such insurers for public information

Key Points

Requirements for D-SIIs:

- The three public sector insurers have been asked to raise the level of corporate governance.
- Identify all relevant risks and promote a sound risk management culture.
- The D-SIIs will also be subjected to enhanced regulatory supervision of the IRDAI.

• Domestic Systemically Important Insurers:

- D-SIIs are perceived as insurers that are 'too big or too important to fail' (TBTF).
- D-SIIs refer to insurers of such size, market importance and domestic and global interconnectedness whose distress or failure would cause a significant dislocation in the domestic financial system.
- Thus, the continued functioning of D-SIIs is critical for the uninterrupted availability of insurance services to the national economy.

• Reasons:

- The insurance sector had grown exponentially in the last 15 years and a few of the insurers have a sizeable market share and interconnected with other financial institutions as well.
- With perception of TBTF and the perceived expectation of government support may amplify risk taking, reduce market discipline, create competitive distortions, and increase the possibility of distress in future.

• Concerns:

- Given the nature of operations and their systemic importance, the failure of D-SIIs has the potential to cause significant disruption to the essential services they provide to the policyholders and, in turn, to the overall economic activity of the country
- These considerations require that D-SIIs should be subjected to **additional regulatory measures** to deal with the **systemic risks** and **moral hazard** issues.
 - **Systemic risk** is the possibility that an event at the company level could trigger severe instability or collapse an entire industry or economy.
 - Moral hazard is a situation in which one party gets involved in a risky event knowing that it is protected against the risk and the other party will incur the cost. It arises when both the parties have incomplete information about each other.

• Background:

- In January 2019, IRDAI announced the formation of a committee on D-SIIs.
- The constitution of the committee came in the backdrop of the International Association
 of Insurance Supervisors (IAIS) asking all member countries to have a regulatory
 framework to deal with Domestic-SIIs.

The **IAIS** is a voluntary membership organization of insurance supervisors from over 200 jurisdictions, constituting 97% of the world's insurance premiums. It is the international standards-setting body for the insurance sector.

Domestic Systemically Important Bank (D-SIBs)

• D-SIB means that the bank is too big to fail. According to the **Reserve Bank of India (RBI)**, some banks become systemically important due to their size, cross-jurisdictional activities, complexity and lack of substitute and interconnection. Banks whose assets exceed 2% of GDP are considered part of this group.

• Presently, the <u>State Bank of India</u> (SBI), ICICI Bank, and HDFC Bank have been identified as DSIBs in India.

• Significance:

- Should such a bank fail, there would be significant disruption to the essential services they provide to the banking system and the overall economy.
- The **too-big-to-fail** tag also indicates that in case of distress, the government is expected to support these banks.
- Due to this perception, these banks enjoy certain advantages in funding. It also means that
 these banks have a different set of policy measures regarding systemic risks and moral
 hazard issues.

Source: TH

Leuser Ecosystem

Why in News

Recently, an investigation by the global watchdog **Rainforest Action Network (RAN)** has shown that various food, cosmetics and finance companies have links with companies implicated in the destruction of the **Leuser Ecosystem**, a **forest area on the island of Sumatra**, **Indonesia**.

Key Points

- Leuser Ecosystem is among the most ancient and life-rich ecosystems ever documented by science and is a world-class hotspot of biodiversity and is widely acknowledged to be among the most important areas of intact rainforest left in all of Southeast Asia.
- The ecosystem has been designated a **UNESCO World Heritage Site**.
- Location and Topography:
 - The ecosystem stretches across the **province of Aceh** and **North Sumatra, Indonesia**.
 - It spans 2.6 million hectares, almost three times the size of Yellowstone National Park, USA.
 - Its **diverse landscape includes** lowland and montane rainforests and over 185,000 hectares of carbon-rich peatlands.

Montane rainforests, also called cloud forests, are vegetation of tropical mountainous regions in which the rainfall is often heavy and persistent condensation occurs because of cooling of moisture-laden air currents deflected upward by the mountains.



• Significance:

• Wildlife and Biodiversity:

It is among the **most important forests left in Southeast Asia**, particularly because it is the **last place of sufficient size and quality to support viable populations of rare species** like Sumatran tigers, orangutans, rhinos, elephants, clouded leopards and sun bears.

75% of the world's remaining population of the Sumatran orangutan is found in the ecosystem.

• For Humans:

- The **majority of Aceh's people, between 70-75%, live on the coastal plains** of Sumatra, where many communities have established wet rice cultivation.
- The **livelihoods and food supply** for millions of people rely heavily on the natural services, particularly the **water supplies**, **that the Leuser Ecosystem provides**.

• Climate Change:

- It plays an outsize role regulating the global climate by storing massive amounts of carbon in its peatlands and standing forests.
- **Peatlands** are **wet**, **carbon-rich areas** that have formed through thousands of years of undecomposed leaf litter and organic material accumulation.
- When these areas are drained and the peat is exposed to air, it begins to oxidize and releases large amounts of carbon dioxide emissions into the atmosphere.

• Threats:

- Industrial development for palm oil, pulp and paper plantations and mining continues to threaten the entire ecosystem.
- The **fires from this widespread destruction** have caused major **haze pollution** from Singapore to Jakarta, resulting in **huge economic losses and public health issues**.
- Sumatra's **unique species are dying out** with their **negligible populations left** and few on the **verge of extinction**.

• Solutions:

 There has been enormous progress made in raising international understanding of the importance of protecting the forests and in pressuring the major corporate players involved to accept responsibility and begin to take action.

However, the forests are still falling and the ecosystem is still shrinking. Corporate policies and government regulations are only as good as their follow through.

- **Strong local partners and international support are needed** to reverse accelerating threats facing Leuser's core forests and wildlife habitats.
- Rigorous monitoring, enforcement, and delivering incentives that improve
 practices in the palm oil sector is key to stopping more efforts to cut down the region's
 remaining rainforests.



Sumatran Orangutan

- Scientific Name: Pongo abelii.
- These are almost exclusively arboreal which means they live among the trees of tropical rainforests.
- Habitat: Tropical and Subtropical Moist Broadleaf Forests.

Historically, the Sumatran orangutan was distributed over the entire island of Sumatra and further south into Java. The species' range is now restricted to the north of the island with a majority in the provinces of North Sumatra and Aceh.

• Threats:

Habitat loss due to forest fire and conversion of forests to oil palm plantations and other agricultural developments.

• Conservation:

- **IUCN Red List:** Critically Endangered.
- The <u>World Wildlife Fund for Nature</u> (WWF) works with <u>TRAFFIC</u>, the **global** wildlife trade monitoring network, to help governments enforce restrictions on the trade in live animals and orangutan products.

Way Forward

A balance must now be found between rebuilding the economy and equitable development while protecting human rights and the ecosystem services that local communities rely on for their livelihoods.

Source: DTE

National Medical Commission

Why in News

Recently, the **National Medical Commission** (NMC) has **replaced the <u>Medical Council of India</u>** (MCI), as per the gazette notification issued by the Ministry of Health and Family Welfare.

- MCI was established in 1934 under the Indian Medical Council (IMC) Act, 1933 with the main function of establishing uniform standards of higher qualifications in medicine and recognition of medical qualifications in India and abroad.
- The **old Act was repealed in 1956 and a new act was enacted** in its place. The new act was further modified in 1964, 1993 and 2001.

Key Points

- The government dissolved the MCI in 2018 and replaced it with a Board of Governors (BoG), which was chaired by a member of <u>NITI Aayog</u>.
- Now, the IMC Act, 1956 stands repealed after the gazette notification, and has been replaced by The <u>National Medical Commission Act</u> that came into existence on 8th August 2019.
- The change is aimed at bringing in **reforms in the medical education sector** and especially aimed at **replacing the MCI**, which was **tainted by corruption and <u>other problems</u>**.
- The NMC will function as the **country's top regulator of medical education**.
- It will have **four separate autonomous boards** for:
 - Undergraduate medical education.
 - Postgraduate medical education.
 - Medical assessment and rating.
 - Ethics and medical registration.
- The **common final year Bachelor of Medicine and Bachelor of Surgery**(MBBS) examination will now be known as the **National Exit Test** (NEXT), according to the new medical education structure under the NMC.

NEXT will act as licentiate examination to practice medicine, the criteria for admission to postgraduate medical courses, and also for screening of foreign medical graduates.

Besides, the <u>National Eligibility and Entrance Test</u> (NEET), <u>NEXT will also be</u>
 applicable to institutes of national importance such as all the <u>All India Institutes</u> of
 Medical Sciences (AIIMS) in a bid to ensure a common standard in the medical education
 sector in the country.

NEET is conducted by the **National Testing Agency** (NTA).

• Dr. Suresh Chandra Sharma, former head of ENT (Otorhinolaryngology, the study of diseases of the ear, nose, and throat) AIIMS Delhi, has been appointed as its chairman for three years.

Kaushal Se Kal Badlenge: DDU-GKY

Why in News

Recently, the **Ministry of Rural Development** (MoRD) has celebrated the **foundation day of Deen Dayal Upadhyaya Grameen Kaushalya Yojana** (DDU-GKY) as "**Kaushal Se Kal Badlenge**" on the occasion of **Antyodaya Diwas** (25th September).

Key Points

Inaugurations and New Releases:

- Agripreneurship (entrepreneurship in agriculture) Programme.
 - Agripreneurship is defined as generally, sustainable, community-orientated, directly marketed agriculture.
 - Sustainable agriculture denotes a holistic, systems-oriented approach to farming that focuses on the interrelationships of social, economic, and environmental processes.
- Guidelines regarding Captive Employment under DDU-GKY.

Captive employers are **businesses which can employ 500 or more** in their own organisation or one of their subsidiaries and have **suitable in-house training facilities**.

- Guidelines for Promotion of Integrated Farming Cluster (IFC).
 - **Integrated Farming is a combined approach** aimed at efficient sustainable resource management for increased productivity in the cropping system.
 - It has multiple objectives of sustainability, <u>food security</u>, farmer's security and <u>poverty</u> reduction by involving livestock, vermicomposting, <u>organic farming</u>, etc.
- Memorandum of Understanding (MoU) for capacity building of <u>Farmer Producer</u>
 <u>Organisations</u> (FPOs)/StartUps and providing incubation support in rural areas.

Deen Dayal Upadhyaya Grameen Kaushalya Yojana

- MoRD announced it on Antyodaya Diwas in 2014.
- It is a **demand-driven placement linked skill training initiative** working under the **National Rural Livelihood Mission** (NRLM).
- It uses skill training and placement in wage employment as a tool **to diversify income and enable sustained upward movement** out of poverty.
- DDU-GKY is uniquely focused on rural youth between the ages of 15 and 35 years from poor families.
- **Achievements:** Under DDU-GKY, 10.51 lakh rural youth have been trained and 6.65 lakh successfully placed so far.

All **stakeholders need to bring more rural youths under DDU-GKY,** who are interested to become independent and bring a change in society.

• Significance:

- DDU-GKY and integrated farming initiatives for rural development across the country are **important for greater success in <u>skilling</u> and placing the rural youth**.
- DDU-GKY has played a **significant role in the context of** <u>Aatmanirbhar Bharat</u> through skilling.

Antyodaya Diwas

- Every year, 25th September is observed as Antyodaya Diwas to mark the birth anniversary of Pandit Deendayal Upadhyaya, one of the great thinkers and philosophers of the nationalist movement of the country.
- The Government of India announced it for the **first time in 2014** along with the **Deendayal Antyodaya Yojana**.
- Antyodaya means "uplifting the poorest of the poor" and the day aims to reach the person in the last mile.

Source: PIB

FAME India Scheme Phase II

Why in News

The Government of India has sanctioned **670 Electric buses** in the states of Maharashtra, Goa, Gujarat and Chandigarh and **241 Charging Stations** in Madhya Pradesh, Tamil Nadu, Kerala, Gujarat and Port Blair under **Phase-II of FAME India Scheme**.

Key Points

Background:

- **FAME India** is a part of the **National Electric Mobility Mission Plan**. Main thrust of FAME is to encourage electric vehicles by providing subsidies.
- The **FAME India Scheme** is aimed at incentivising all vehicle segments.
- Two phases of the scheme:
 - Phase I: started in 2015 and was completed on 31st March, 2019
 - Phase II: started from April, 2019, will be completed by 31 st March, 2022
- The scheme covers <u>Hybrid & Electric</u> technologies like <u>Mild Hybrid</u>, <u>Strong Hybrid</u>,
 Plug in Hybrid & <u>Battery Electric Vehicles</u>.
- Monitoring Authority: Department of Heavy Industries, the Ministry of Heavy Industries and Public Enterprises.
- Fame India Scheme has four focus Areas:
 - Technology development
 - Demand Creation
 - Pilot Projects
 - Charging Infrastructure

• Objectives of FAME Scheme:

- **Encourage faster adoption of** electric and hybrid vehicles by way of offering upfront Incentive on purchase of Electric vehicles.
- Establish a **necessary charging Infrastructure** for electric vehicles.
- To address the issue of environmental pollution and fuel security.

• Salient Features of Phase II:

- Emphasis on **electrification of the public transportation** that includes shared transport.
- This phase aims to support, through subsidies, approximately 7000 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2 Wheelers.
- In **3-Wheel (W) and 4-Wheel (W) segment** incentives will be applicable mainly to vehicles used for **public transport or registered for commercial purposes**.
- In the **2-Wheel (W) segment,** the focus will be on the **private vehicles**.
- To encourage advanced technologies, the benefits of incentives will be extended to only those vehicles which are fitted with advanced batteries like a <u>Lithium Ion battery</u> and other new technology batteries.
- The scheme proposes for establishment of **charging infrastructure**, whereby about 2700 charging stations will be established in metros, other million plus cities, smart cities and cities of Hilly states across the country so that there will be availability of at least one charging station in a grid of 3 km x 3 km.
- Establishment of Charging stations are also **proposed on major highways connecting major city clusters**.

On such highways, charging stations will be established on both sides of the road at an interval of about 25 km each.

Source: PIB

JIMEX 20 Maritime Exercise

Why in News

The **4th edition of India - Japan Maritime bilateral exercise JIMEX** will be held in the North Arabian Sea from 26th - 28th September 2020.



• About JIMEX Exercise:

- JIMEX series of exercises **commenced in January 2012** with special focus on maritime security cooperation.
- It is **conducted biennially** between the Indian Navy and Japanese Maritime Self-Defense Force (JMSDF).
- The **last edition of JIMEX** was conducted in October 2018 off Visakhapatnam, India.

• JIMEX 20:

- Multi-faceted tactical exercises involving weapon firings, cross deck helicopter operations and complex surface, anti-submarine and air warfare drills will consolidate coordination developed by the two navies.
- Indigenously built stealth destroyer *Chennai*, Teg Class stealth frigate *Tarkash* and Fleet Tanker *Deepak* will represent the Indian Navy.
- **P8I Long Range Maritime Patrol Aircraft** will also participate in the exercise.

• Significance:

- The exercise is taking place in the **backdrop of growing concerns over China's military muscle flexing in the Indian Ocean Region** as well as in the Indo-Pacific.
- It will be the first military exercise after the two countries signed a landmark
 agreement (Acquisition and Cross-Servicing Agreement ACSA), that will allow
 their militaries to access each other's bases for logistics support.
- India has <u>significantly expanded its deployment in the Indian Ocean Region</u> with a plethora of warships and submarines following the <u>border row with China</u>. The maritime space around the <u>Malacca Strait</u> is critical for China's supply chain through sea routes.
 - Recently, Indian and Australian navies conducted a passage exercise in the eastern Indian Ocean Region (IOR). A passage exercise is normally undertaken whenever an opportunity arises, in contrast to pre-planned maritime drills.
 - In July 2020, the <u>Indian Navy carried out a military exercise with a USA Navy carrier strike group</u> led by the nuclear-powered aircraft carrier USS Nimitz off the coast of Andaman and Nicobar Islands.
 - The USS Nimitz is the world's largest warship.
 - **Nimitz Carrier Strike Group** is currently deployed to the Indian Ocean in support of a free and open Indo-Pacific.

• Other Military Exercises between India and Japan:

- Annual joint land military exercise named 'Dharma Guardian'.
- o Joint Air Force exercise 'Shinyuu Maitri'.
- Trilateral Maritime **Exercise Malabar** with the USA.

Source: PIB

Fridays For Future Movement

Why in News

Recently, students and youth under the banner of <u>Fridays For Future (FFF)</u> protested outside the **Ministry of Environment, Forest and Climate Change (MoEFCC)** demanding **scrapping** of <u>Draft Environment Impact Assessment, 2020</u> and the government to act against the climate crisis.

Key Points

- Global Climate Movement:
 - FFF is a **dynamic global student movement** pushing for **immediate action on climate change** through active campaigning and advocacy.
 - The movement was **inspired by Swedish teenager Greta Thunberg**, who sat in protest in front of the Swedish parliament for three weeks in 2018 to draw attention to the climate emergency.

Greta Thunberg was recently awarded the <u>Right Livelihood Award-2019</u>, also known as **Sweden's alternative Nobel Prize**.

- The FFF movement was chosen as **Champion of the Earth award** for inspiration and action because of its role in highlighting the devastating effects of climate change.
- **Goals:** The main goals of the movement is **to put moral pressure on policy-makers**, to make them listen to scientists and then to take action to limit global warming.
- Demand: Keep the global temperature rise below 1.5°C compared to pre-industrial levels (Key outcome of Paris climate deal).
 - Ensure climate justice and equity.
 - **Listen to the best science** currently available to deal with the climate crisis.
- **Demand for Delhi:** The demand for Delhi includes **saving the <u>Aravallis</u>**, improved sewage management plants to **prevent pollution of the Yamuna**, **public participation in policymaking** and **better environmental education in schools**.

Champions of the Earth Award

- It is the United Nations' flagship global environmental award. It was established by the
 UN Environment Programme in 2005 to celebrate outstanding figures whose actions have
 had a transformative positive impact on the environment.
- The awards **recognize persons** who are **working to protect earth** for the next generation.

Source: TH

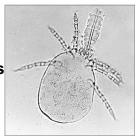
Scrub Typhus

Why in News

An outbreak of **Scrub Typhus** (also known as **Bush Typhus**), a bacterial disease, has caused 5 deaths and 600 infections in Nagaland's Noklak district bordering Myanmar.

- The **North East Region** is also suffering from an outbreak of diseases like **malaria**, **Japanese encephalitis** and **Covid-19** pandemic.
- The cattles have also been affected by <u>African swine fever</u>.

Key Points



- Caused By: Orientia tsutsugamushi (Bacteria)
- Spread: Through bites of Larval Mites of family trombiculid, also called Chiggers.
- **Symptoms:** Fever, headache, body aches, and sometimes rash.
- Occurrence: Rural areas of Southeast Asia, Indonesia, China, Japan, India, and northern Australia.
- **Treatment:** Antibiotics. No vaccine available.

Typhus

- Typhus is a group of bacterial infectious diseases that include epidemic typhus, scrub typhus, and murine typhus.
 - **Epidemic typhus** is due to *Rickettsia prowazekii* spread by body lice.
 - **Scrub typhus** is due to *Orientia tsutsugamushi* spread by chiggers.
 - Murine typhus is due to *Rickettsia typhi* spread by fleas.
- **Napoleon's** army was infected with Epidemic Typhus during his invasion of Russia in 1812 causing it to retreat.

Source: TH