



## News Analysis (25 Feb, 2021)

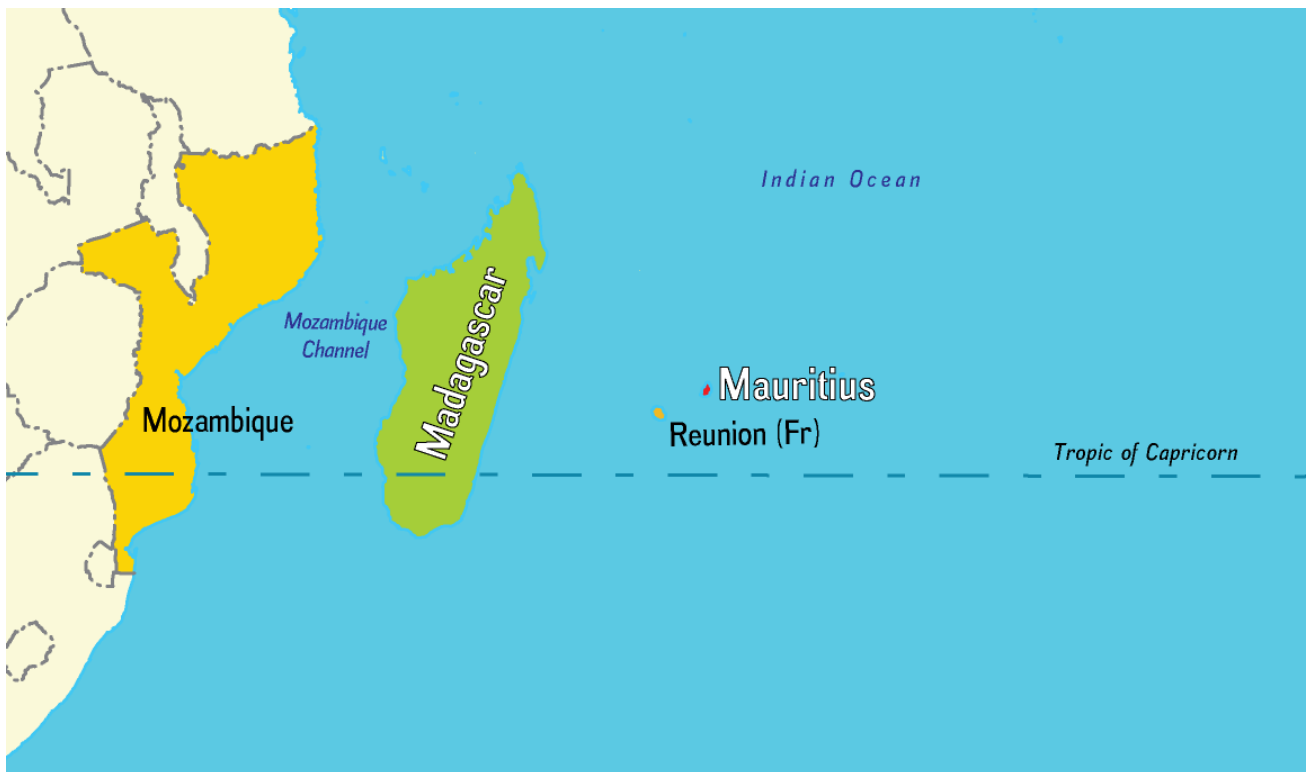
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### CECPA: India & Mauritius

#### Why in News

The Union Cabinet has approved signing of the **Comprehensive Economic Cooperation and Partnership Agreement (CECPA)** between India and Mauritius.

The India-Mauritius CECPA is the **first trade agreement signed by India** with a **country in Africa**.



#### Key Points

### About CECPA :

- It is a **kind of free trade pact** that aims to provide an institutional mechanism to encourage and improve trade between the two countries.
- Under this agreement, countries reduce or eliminate the duties on the products. The countries also give relaxation in the norms to promote the services trade.

### Types of Trade Agreements

- **Free Trade Agreement (FTA):**

- A free trade agreement is an agreement in which **two or more countries agree to provide preferential trade terms, tariff concession etc.** to the partner country.
- India has negotiated FTA with many countries e.g. Sri Lanka and various trading blocs as well e.g. **ASEAN**.

- **Preferential Trade Agreement (PTA):**

- In this type of agreement, two or more partners give **preferential right of entry to certain products**. This is **done by reducing duties** on an agreed number of tariff lines.
- Tariffs may even be reduced to zero for some products even in a PTA. **India signed a PTA with Afghanistan.**

- **Comprehensive Economic Partnership Agreement (CEPA):**

- Partnership agreement or cooperation agreement are more **comprehensive than an FTA**.
- CEPA covers negotiation on the trade in services and investment, and other areas of economic partnership.
- India has signed **CEPAs with South Korea and Japan.**

- **Comprehensive Economic Cooperation Agreement (CECA):**

CECA generally covers **negotiation on trade tariff and TRQ (Tariff Rate Quotas) rates** only. It is **not as comprehensive as CEPA**. India has signed **CECA with Malaysia.**

- **India-Mauritius CECPA:**

- **About:**

It is a **limited agreement** that will cover only select sectors. It will cover Trade in **Goods, Rules of Origin, Trade in Services, Technical Barriers to Trade (TBT), Sanitary and Phytosanitary (SPS) measures, Dispute Settlement**, etc.

- **Benefit to India:**

- More than 300 domestic goods from agriculture, textiles, electronics and other sectors will **get market access at concessional customs duties** in Mauritius.
- **Indian service providers will have access to around 115 sub-sectors from the 11 broad service sectors**, such as professional services, computer related services, research & development, other business services, etc.

- **Benefit to Mauritius:**

- It will benefit from **preferential market access into India for its 615 products**, including frozen fish, speciality sugar, biscuits, fresh fruits, juices, mineral water, beer, alcoholic drinks, soaps, bags, medical and surgical equipment, and apparel.
- **India has offered around 95 sub-sectors from the 11 broad services sectors**, including professional services, R&D, other business services, telecommunication, environmental, health, etc.

- **Negotiation on Automatic Trigger Safeguard Mechanism (ATSM):**

- India and Mauritius have also agreed to negotiate an Automatic Trigger Safeguard Mechanism (ATSM) for some highly sensitive products within two years of the signing of the agreement.
- **ATSM protects the country from any sudden or dramatic increase in imports.**
- Under this mechanism, if the imports of a product are rising alarmingly, then after reaching a certain **threshold**, India can impose **safeguard duties** on imports from Mauritius automatically. The same provision applies to Mauritius as well against Indian imports.

- **India-Mauritius Economic Relations:**

- India had extended a '**Special Economic Package**' of USD 353 million to Mauritius in 2016. The **New Mauritius Supreme Court** building project is one of the projects implemented under this package. This was jointly inaugurated by both the countries in 2020.
- India and Mauritius have jointly **inaugurated the Phase-I of the Metro Express Project** and the **100-bed state of the art ENT hospital project in Mauritius**, also built under the special economic package.
- According to the **International Trade Centre (ITC)**, in 2019, the **main import partners of Mauritius** were **India (13.85%), China (16.69%), South Africa (8.07%), and UAE (7.28%)**.
- The bilateral trade between India and Mauritius has registered a **growth of 233%** from **USD 206.76** million in the Financial Year (FY) **2005-06** to **USD 690.02** million in FY **2019-20**.
- **Mauritius** was the **second** top source of **Foreign Direct Investment (FDI)** into India in **2019-20**.

- **Other Recent Developments:**



- India and Mauritius signed a **USD 100 million Defence Line of Credit** agreement
- Mauritius would get a **Dornier aircraft and an Advanced Light Helicopter Dhruv on lease** which would build its **maritime security capabilities**.
- The two sides also **discussed the Chagos Archipelago dispute**, which was an issue of sovereignty and sustainable development before the **United Nations (UN)**.

In **2019, India voted at the UN General Assembly in support of the Mauritian position on the issue**. India was one of the 116 countries that voted demanding that the UK end its “colonial administration” from the group of islands.

- India **delivered 1,00,000 Covishield vaccines** to Mauritius.

## Way Forward

- The evolving **geopolitical landscape of the Indian Ocean (IO)** has created new challenges – and opportunities — for the countries in and bordering the IO. Mauritius, along with India’s other smaller island neighbours, is acutely aware of its maritime identity and geostrategic value. They especially understand what these mean for their larger neighbour India.
- India’s approach to Mauritius is being increasingly entrenched within a regional framework, as seen with **Mission Sagar**, India’s initiative to deliver Covid-19 related assistance to countries in the Indian Ocean region. To take this engagement further, **India needs to remain proactive in bringing together like-minded partners** such as Mauritius, Comoros, Madagascar, Seychelles, Maldives, and Sri Lanka in numerous and overlapping ways.

**Source: PIB**

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## UNHRC's New Resolution Against Sri Lanka

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### Why in News

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Recently, Sri Lanka has made an appeal to the member states of the **United Nations Human Rights Council (UNHRC)** to reject the impending resolution on the island nation's human rights accountability and reconciliation.

- Sri Lanka is facing a **new resolution** calling on it to hold human rights abusers to account and deliver justice to victims of its **26-year civil war (1983-2009)**.  
The war was mainly a **clash** between the **Sinhalese-dominated Sri Lankan government** and the **Liberation Tigers of Tamil Eelam (LTTE)** insurgent group, the latter of which had hoped to establish a separate state for the Tamil minority.
- Sri Lankan forces and Tamil rebels were **accused of atrocities during the war**, which killed at least 1,00,000 people.



### Key Points

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- **The New Draft Resolution/The Zero Draft:**

- It incorporates some of the elements of the UNHRC report, including those on **strengthening the HRC's capacity on preserving evidence, devising strategies for future accountability processes, and supporting judicial proceedings in member states with jurisdiction.**

As per the UNHRC report, the government of Sri Lanka had created **parallel military task forces** and commissions that **encroach on civilian functions**, and reversed important institutional checks and balances, **threatening democratic gains**, the **independence of the judiciary** and other key institutions.

- It also talks about encouraging the Sri Lankan government to implement the requirements of the previous **30/1 resolution** (from which it pulled out).

- **Resolution 30/1:**

- It wanted Colombo to establish a **credible judicial process**, with the participation of Commonwealth and other foreign judges, defence lawyers and authorised prosecutors and investigators, to go into the alleged rights abuses.
    - Recently, **Sri Lanka has said that Resolution 30/1 was against the country.** The Resolution carried a host of commitments that were not deliverable and were not in conformity with the Constitution of Sri Lanka.
  - It **asks the High Commissioner's office to monitor progress on national reconciliation and accountability mechanisms**, and come up with updates next March, and a full report in September 2022.

- **UNHRC's Stand:**

- The present government in Sri Lanka was **"proactively" obstructing investigations** into past crimes to prevent accountability, and that this had a **"devastating effect" on families seeking truth, justice and reparations.**
- **United Nations (UN)** member states "should pay attention to the early warning signs of more violations to come, and called for **"international action"** including **targeted sanctions** such as **asset freezes and travel bans against** "credibly alleged" perpetrators of grave human rights violations and abuses.
- States should also **pursue investigations and prosecution in their national courts** under accepted principles of extraterritorial or universal jurisdiction of international crimes committed by all parties in Sri Lanka.

- **India's Stand on Previous Resolutions Against Sri Lanka:**

- India voted **against** Sri Lanka in 2012.
- India **abstained** in 2014.

## **Way Forward**

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- The state is at the core of the historical problems, whether it is repressive militarisation, the reinforcement of majoritarian interests or the centralisation of state power in Colombo. But **reforming the state requires direct challenges by its citizenry**, rather than flight to international forums.
- The ‘**China factor**,’ the ‘**Sri Lankan ethnic issue**,’ and the attendant ‘**UNHRC resolution**’ have **negatively impacted bilateral relations between India and Sri Lanka**. India needs to focus more on its traditional and cultural ties to improve relations with Sri Lanka. Mutual recognition of each other's concerns and interests can improve the relationship between both countries.

**Source:IE**

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## **Senkaku Island Dispute**

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### **Why in News**

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Recently, China called the **Japan-USA mutual security pact** a product of the **Cold War** following USA’s criticism of the presence of Chinese coast guard vessels in Japanese-claimed territorial waters.

### **Key Points**

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#### **About:**

- The 1960 Japan-USA mutual security treaty **assures the USA would come to Japan's aid in the event of an outside attack on Japanese** forces or territory.
- The USA criticized China as the Chinese ships have been **repeatedly encroaching the Japanese territorial waters** surrounding the Senkaku island.
- Whereas China has long accused the USA of maintaining a “**Cold War mentality**” due to which it tries to bring Japan in its Bloc against China.





## The Senkaku Island Dispute:

- **About:**

- The Senkaku Island dispute concerns a territorial dispute over a group of uninhabited islands known as:
  - **Senkaku Islands** in Japan,
  - **Diaoyu Islands** in China, and
  - **Tiaoyutai Islands** in Taiwan.
- Both Japan and China claim ownership of these islands.

- **Location:**

Eight uninhabited islands lie in the **East China Sea**. They have a total area of about 7 sq km and lie **northeast of Taiwan**.

- **Strategic Importance:**

Islands are close to strategically important shipping lanes, offer rich fishing grounds and are thought to contain oil deposits.

- **Japan's Claim:**

- After **World War II**, Japan renounced claims to a number of territories and islands including Taiwan in the **1951 Treaty of San Francisco**.
- But under the treaty, the Nansei Shoto islands came under USA trusteeship and were then returned to Japan in 1971.
- Japan says that **Senkaku islands are part of the Nansei Shoto islands** and hence they also belong to Japan.

Recently, **a local council in southern Japan has approved a bill** to change the name of an area containing Senkaku Islands from Tonoshiro to Tonoshiro Senkaku.
- Besides, China **raised no objections to the San Francisco deal**. Only since the 1970s, when the issue of oil resources in the area emerged, Chinese and Taiwanese authorities began pressing their claims.

- **China's Claim:**

- These Islands have been part of its territory since ancient times, serving as important fishing grounds administered by the province of Taiwan.
- When Taiwan was returned in the **Treaty of San Francisco**, China said the islands – as part of it – should also have been returned.

**Source:TH**

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## National Hydrogen Energy Mission

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### Why in News

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The **Union Budget for 2021-22** has announced a **National Hydrogen Energy Mission (NHM)** that will draw up a road map for using hydrogen as an energy source. The initiative has the potential of transforming transportation.

NHM initiative will capitalise on one of the most abundant elements on earth (Hydrogen) for a cleaner alternative fuel option.

## Key Points

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- **About the National Hydrogen Energy Mission:**
  - Focus on **generation of hydrogen from green power resources.**
  - To **link India's growing renewable capacity with the hydrogen economy.**
    - India's ambitious goal of 175 GW by 2022 got an impetus in the 2021-22 budget which allocated Rs. 1500 crore for renewable energy development and NHM.
    - The usage of hydrogen will not only help India in achieving its emission goals under the **Paris Agreement**, but will also **reduce import dependency on fossil fuels.**
- **Hydrogen:**
  - Hydrogen is the **lightest** and **first element** on the **periodic table**. Since the **weight of hydrogen is less than air**, it rises in the atmosphere and is therefore **rarely found in its pure form, H<sub>2</sub>.**
  - At standard temperature and pressure, hydrogen is a nontoxic, nonmetallic, odorless, tasteless, colorless, and **highly combustible diatomic gas.**
  - Hydrogen fuel is a zero-emission fuel burned with oxygen. It can be **used in fuel cells or internal combustion engines.** It is also used as a **fuel for spacecraft propulsion.**
  - **Type of Hydrogen:**
    - **Grey Hydrogen:**
      - Constitutes India's bulk Production.
      - Extracted from hydrocarbons (fossil fuels, natural gas).
      - By product: CO<sub>2</sub>
    - **Blue Hydrogen:**
      - Sourced from fossil fuels.
      - By product: CO, CO<sub>2</sub>
      - **By products are Captured and Stored**, so better than grey hydrogen.
    - **Green Hydrogen:**
      - Generated from renewable energy (like Solar, Wind).
      - Electricity splits water into hydrogen and oxygen.
      - By Products : Water, Water Vapor

- **Asia-Pacific Stance:**

- In Asia-Pacific sub-continent, **Japan** and **South Korea** are on the **front foot** in terms of **hydrogen policy making**.
- In 2017, **Japan** formulated the **Basic Hydrogen Strategy** which sets out the country's action plan till 2030, including the establishment of an international supply chain.
- **South Korea** is operating hydrogen projects and **Hydrogen Fuel Cell** production units under the auspices of its **Hydrogen Economy Development and Safe Management of Hydrogen Act, 2020**.

**South Korea** has also passed the Economic Promotion and Safety Control of Hydrogen Act, which deals with three key areas - **hydrogen vehicles, charging stations and fuel cells**. This law is **intended to bring transparency to the nation's hydrogen pricing system**.

- **Indian Context:**

- India has a **huge edge in green hydrogen production** owing to its **favorable geographic conditions** and presence of **abundant natural elements**.
- The government has given impetus in **scaling up the gas pipeline infrastructure** across the length and breadth of the country, and has introduced reforms for the power grid, including the **introduction of smart grids**. Such steps are being taken to **effectively integrate renewable energy in the present energy mix**.
- Capacity addition to renewable power generation, storage and transmission, **producing green hydrogen in India can become cost effective** which will not only guarantee energy security, but also ensure self-sufficiency gradually.

- **Policy Challenges :**

- One of the biggest challenges faced by the industry for using hydrogen commercially is the **economic sustainability of extracting green or blue hydrogen**.

The technology used in production and use of hydrogen like **Carbon Capture and Storage (CCS)** and **hydrogen fuel cell technology** are **at nascent stage** and are expensive which in turn increases the cost of production of hydrogen.

- **Maintenance costs** for fuel cells post-completion of a plant can be costly.
- The commercial usage of hydrogen as a fuel and in industries **requires mammoth investment in R&D of such technology and infrastructure** for production, storage, transportation and demand creation for hydrogen.

## **Way Forward**

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At this juncture, with a calibrated approach, India can uniquely position itself to take advantage **with increasing investment in R&D, capacity building, compatible legislation**, and the **opportunity for creation of demand** among its vast population. Such initiatives can propel India to become the most favored nation by exporting hydrogen to its neighbors and beyond.

**Source: IE**

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## **National Urban Digital Mission**

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### **Why in News**

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The National Urban Digital Mission (NUDM) has been launched by the **Ministry of Housing and Urban Affairs (MoHUA)** along with the **Ministry of Electronics and Information Technology (MEITY)**.

- Several other digital initiatives of MoHUA viz. **India Urban Data Exchange (IUDX)**, **SmartCode**, **Smart Cities 2.0 website**, and **Geospatial Management Information System (GMIS)** have also been launched.
- These initiatives will further the ongoing efforts of both Ministries to realise the vision of **Digital India** and **Atmanirbhar Bharat**.

### **Key Points**

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- **About the National Urban Digital Mission (NUDM):**
  - It will create a shared digital infrastructure for urban India, working across the three pillars of **people, process, and platform** to provide holistic support to **cities** and towns.
  - It will institutionalise a **citizen-centric and ecosystem-driven approach** to **urban governance** and service delivery in 2022 cities by 2022, and across all cities and towns in India by 2024.
- **Significance of the NUDM:**
  - The shared digital infrastructure will **consolidate and cross-leverage the various digital initiatives** of the Ministry of Housing and Urban Affairs, enabling cities and towns across India to benefit from holistic and diverse forms of support, in keeping with their needs and local challenges.
  - NUDM has articulated a set of governing principles, and inherits the technology design principles of the **National Urban Innovation Stack (NUIS)**.
    - The principles in turn give rise to standards, specifications, and certifications, across the three pillars of people, process, and platforms.
    - **NUIS** will strengthen the capacity of the urban ecosystem to solve complex programs at speed and scale by unlocking the power of urban data.

- **India Urban Data Exchange (IUDX):**
  - It has been developed in partnership between the Smart Cities Mission and the Indian Institute of Science (IISc), Bengaluru.
  - It serves as **a seamless interface for data providers and data users**, including **Urban Local Bodies (ULBs)**, to share, request, and access datasets related to cities, urban governance, and urban service delivery.
  - It is **an open-source software platform** which facilitates the secure, authenticated, and managed exchange of data amongst various data platforms, 3<sup>rd</sup> party authenticated and authorised applications, and other sources.
- **SmartCode Platform:**
  - SmartCode is a platform that enables all ecosystem stakeholders to **contribute to a repository of open-source code for various solutions** and applications for urban governance.
  - It is designed to address the challenges that ULBs face in the development and deployment of digital applications to address urban challenges, by enabling cities to take advantage of existing codes and customising them to suit local needs, rather than having to develop new solutions from scratch.
- **Geospatial Management Information System (GMIS):**
  - GMIS is a web-based, spatially-enabled management tool, providing one-stop access to information.
  - GMIS integrates information from multiple sources and features search options by topic and geographic area.

### Other Schemes/Programmes of MoHUA

- **Urban Learning and Internship Program (TULIP)**
- **India Cycles4Change Challenge** and **Nurturing Neighbourhoods Challenge**
- **Climate Smart Cities Assessment Framework (CSCAF)**
- **Ease of Living Index** and Municipal Performance Index
- **AMRUT**
- **Swachh Bharat Mission Urban**
- **Urban Transport**
- **Pradhan Mantri Awas Yojana**
- **Deendayal Antyodaya Yojana National Urban Livelihoods Mission**

**Source: PIB**

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## PM Atmanirbhar Swasth Bharat Scheme

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### Why in News

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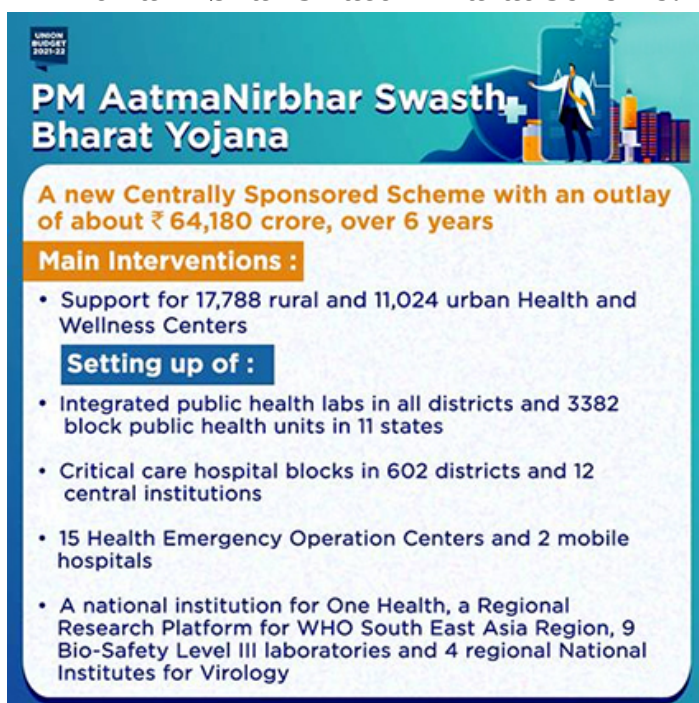
Recently, the Prime Minister talked about the **need to address health issues in a holistic manner** and to adopt a **four-pronged strategy** for a healthy India that includes implementing the **PM Atmanirbhar Swasth Bharat scheme**.

## Key Points

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- **Four-Pronged Strategy for a Healthy India:**
  - **Prevention of illness and promotion of wellness** including measures such as **Swachh Bharat Abhiyan**, yoga and timely care and treatment of pregnant women and children,
  - Providing cheap and effective **treatment to the poorest of the poor**,
  - Increasing the **quality of health infrastructure** and healthcare professionals and
  - **Working on a mission mode** to overcome obstacles like **Mission Indradhanush** has been extended to the tribal and far-flung areas of the country.

- **PM Atmanirbhar Swasth Bharat Scheme:**



- **About:**

- Announced in the **Union Budget 2021-22.**
    - Aims to **develop capacities of primary, secondary, and tertiary care health systems** even in the last miles of the nation.
    - **Developing a modern ecosystem** for research, testing and treatment in the country itself.

- **Funding:**

**Centrally Sponsored Scheme** with an outlay of about Rs. 64,180 crores.

- **Duration:** 6 years.

- **Objectives:**

- Supporting development of 17,788 **rural** and 11,024 **urban health and wellness centers** and setting up of **integrated public health labs** in all districts and 3,382 block public health units in 11 states.
    - Help in establishing **critical care hospital** blocks in 602 districts and 12 central institutions. Strengthening of the **National Centre for Disease Control (NCDC)**, its 5 regional branches and 20 metropolitan health surveillance units.
    - Expansion of the **Integrated Health Information Portal** to all States/UTs to connect all public health labs.
    - Help in rolling out the **Covid-19 vaccination program** as well as strengthen the delivery system and build better capability and capacity to combat any future pandemics.

- **Other Initiatives in Health Sector:**

- **Ayushman Bharat Program.**
  - **National Health Mission.**
  - **Jan Aushadhi Yojana.**



## National Commission for Scheduled Castes

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### Why in News

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Recently, **Vijay Sampla** has been appointed as the chairman of the National Commission for Scheduled Castes (NCSC).

### Key Points

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- **About:**
  - NCSC is a **constitutional body** that works to **safeguard the interests of the scheduled castes (SC)** in India.
  - **Article 338** of the constitution of India deals with this commission:  
It provides for a **National Commission for the Scheduled Castes and Scheduled Tribes** with duties to investigate and **monitor all matters relating to safeguards provided for them**, to inquire into specific complaints and to participate and advise on the planning process of their socio-economic development etc.
- **History and Origin:**
  - **Special Officer:**
    - Initially, the constitution provided for the appointment of a **Special Officer** under Article 338.
    - The special officer was designated as the Commissioner for Scheduled Castes and Scheduled Tribes.
  - **65<sup>th</sup> Amendment, 1990:**
    - It replaced the one-member system with a multi-member **National Commission for Scheduled Castes (SC) and Scheduled Tribes (ST)**.
    - The Constitution (65<sup>th</sup> Amendment) Act 1990, amended Article 338 of the Constitution.
  - **89<sup>th</sup> Amendment, 2003:**  
By this amendment, the erstwhile National Commission for SC and ST was replaced by **two separate Commissions** from the year 2004 which were: **National Commission for Scheduled Castes (NCSC)** and **National Commission for Scheduled Tribes (NCST)**- under **Article 338-A**.

- **Structure:**
  - It consists of:
    - Chairperson.
    - Vice-chairperson.
    - Three other members.
  - They are **appointed by the President** by warrant under his hand and seal.
- **Functions:**
  - **Monitoring and investigating all issues** concerning the safeguards provided **for the SCs** under the constitution.
  - **Enquiring into complaints** relating to the deprivation of the rights and safeguards of the SCs.
  - Taking part in and **advising the central or state governments** with respect to the planning of socio-economic development of the SCs.
  - Regular **reporting to the President** of the country on the implementation of these safeguards.
  - **Recommending steps** to be taken to further the **socio-economic development and other welfare activities** of the SCs.
  - Any other function with respect to the welfare, protection, development and advancement of the SC community.
  - The Commission is also required to discharge similar functions with regard to the **Anglo-Indian Community** as it does with respect to the SCs.
  - Till 2018, the commission was also required to discharge similar functions with regard to the other backward classes (OBCs). It was relieved from this responsibility by the **102<sup>nd</sup> Amendment Act of 2018**.

### Other Constitutional Provisions For Upliftment of the Schedule Caste

- **Article 15(4)** refers to the special provisions for their advancement.
- **Article 16(4A)** speaks of “**reservation in matters of promotion to any class or classes of posts in the services under the State in favour of SCs/STs**, which are not adequately represented in the services under the State’.
- **Article 17** abolishes Untouchability.
- **Article 46** requires the State ‘**to promote with special care the educational and economic interests of the weaker sections** of the people, and, in particular, of the Scheduled Castes and the Scheduled Tribes, and to protect them from social injustice and all forms of exploitation.
- **Article 335** provides that the claims of the members of the Scheduled Castes and the Scheduled Tribes shall be taken into consideration, consistently with the maintenance of efficiency of administration, in the making of **appointments to services and posts** in connection with the affairs of the Union or of a State.

- **Article 330** and **Article 332** of the Constitution respectively provide for **reservation of seats in favour of the Scheduled Castes and the Scheduled Tribes in the House of the People and in the legislative assemblies** of the States.
- Under **Part IX** relating to the **Panchayats** and **Part IXA** of the Constitution relating to the Municipalities, reservation for SC and ST in local bodies has been envisaged and provided.

**Source:TH**

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## **Report on Winter Pollution: CSE**

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### **Why in News**

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Recently, the **Centre for Science and Environment (CSE)** reported that the **levels of PM 2.5, worsened in 43 out of 99 cities** whose winter air was compared for two years, 2020 and 2019.

- **PM 2.5** refers to **fine particulate matter smaller than 2.5 micrometers** in diameter. It causes respiratory problems and also reduces visibility. It is **an endocrine disruptor** that can affect insulin secretion and insulin sensitivity, thus contributing to diabetes.
- **CSE** is a public interest research and advocacy organisation based in New Delhi. It researches into, lobbies for and communicates the urgency of development that is both sustainable and equitable.

### **Key Points**

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- **Findings:**

- **Worst Performers:**

- The cities with the worst pollution spikes in 2020 over 2019 include Gurugram, Lucknow, Jaipur, Visakhapatnam, Agra, Navi Mumbai, and Jodhpur. Kolkata is the only mega city in this group.
    - When ranked from the most to the least polluted cities, **23 of the most polluted cities are from north India.**
    - **Ghaziabad is the most polluted city in the northern belt.**

- **Best Performers:**

- **Only 19 registered “substantial improvement”** in PM 2.5 levels, one of these was **Chennai.**
    - There are only **four cities** (Satna, Mysuru, Vijayapura and Chikkamagaluru) that have met the **national 24-hour standard (60 µg/m<sup>3</sup>)** during the winter season.
    - **Satna and Maihar** in Madhya Pradesh, and **Mysuru** in Karnataka, are the **cleanest cities** in the country.

- **Seasonal Peak Levels:**

- In 37 cities that are otherwise showing stable or declining seasonal averages, their peak pollution levels have **risen significantly during winter.**  
These include Aurangabad, Indore, Nashik, Jabalpur, Rupnagar, Bhopal, Dewas, Kochi, and Kozhikode.
    - In North India, other cities, including **Delhi, have experienced the reverse**, that is, an increase in the seasonal average but decline in the seasonal peak.

- **Causes of Spike in Winter Pollution:**

- **Lockdown and Regional Factors:** In the aftermath of the lockdown, several cities reported improved pollution levels but by winter, when lockdowns were significantly eased, pollution levels had clawed back to pre-**Covid-19** levels.

- This underlines the significant **contribution of local and regional factors** to a city's pollution levels.

- **Calm Weather:** During winter, cool and calm weather traps and spikes daily pollution, particularly in north Indian cities located in the Indo Gangetic Plain.

- In 2020, the average level of PM 2.5 during the summer and monsoon months was considerably lower than the previous year due to the summer lockdown.
    - However, the winter PM 2.5 concentration has risen compared to the 2019 winter in many cities across regions.

- **Basis of Analysis:**

- **Data from Pollution Control Board:** The analysis is **part of the air pollution tracker initiative** of CSE. It's based on publicly available granular real time data from the **Central Pollution Control Board (CPCB)**.
- **CAAQMS Data:** The data is captured from 248 official stations under the **Continuous Ambient Air Quality Monitoring System (CAAQMS)** spread across 115 cities in 22 States and Union Territories.
  - **CAAQMS facilitates in measuring a real time monitoring of Air Pollution**, including particulate matter, all round the year.
  - It also **displays digitally, other vital statistics of weather**, to include wind speed, direction, ambient temperature, relative humidity, solar radiation, barometric pressure and rain gauge.

- **Significance:**

- Emphasised that **rather than mega cities, it was the smaller and upcoming cities** that were emerging as **pollution hotspots**.
- The report findings call for quicker reforms and **action in key sectors of pollution** - vehicles, industry, power plants and waste management to control winter pollution and bend the annual air pollution curve.

**Source:TH**

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## **Accredited Investors**

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### **Why in News**

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Recently, the **Security and Exchange Board of India (SEBI)** sought comments on the proposal to introduce the concept of '**Accredited Investors**' in the Indian securities market.

SEBI is a **statutory body established in 1992** in accordance with the provisions of the SEBI Act, 1992. Its headquarters is situated in **Mumbai**. One of its functions is to **protect the interests of investors** in securities and to **promote and regulate the securities market**.

### **Key Points**

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- **Background:**

- Currently, the Indian markets **have the concept of Qualified Institutional Buyers (QIBs)**, which include mutual funds, insurance companies or foreign portfolio investors. These investors enjoy greater market access.
- However, **an individual investor cannot obtain the QIB status. The concept of accredited investor will provide QIB-like status to individual investors.**

**Qualified Institutional Buyers:** They are those institutional investors who are generally perceived to possess expertise and the financial capacities to evaluate and invest in the capital markets.

- **About:**

- Accredited investors, **also called qualified investors or professional investors**, are those **who have an understanding of various financial products** and the risks and returns associated with them.
- They are able to **make informed decisions regarding their investments** and are recognised by many securities and financial market regulators globally.
- Generally, they are allowed to **trade securities that may not be registered with financial authorities.**

They are entitled to this **privileged access by satisfying requirements** regarding their income, net worth, asset size, governance status or professional experience.

- **SEBI's Plan:**

- SEBI has laid out **eligibility criteria for both Indian and non-resident Indians and foreign entities.**
- It has allowed the **validity of accreditation for a year** from the day it is granted.
- Such accreditation is to be carried out via '**Accreditation Agencies**' which may be the market infrastructure institutions or their subsidiaries.

- **Significance:**

The accredited investor concept may **offer benefits to investors and financial product/service providers** such as:

- Flexibility in minimum investment amount.
- Flexibility and relaxation in regulatory requirements.
- Access to products/ services offered exclusively to accredited investors.

**Source:TH**

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**Blank-Cheque Company**

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**Why in News**

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Recently, renewable energy producer 'ReNew Power' announced an agreement to merge with RMG Acquisition Corp II, a **blank-cheque company** or a **Special Purpose Acquisition Company (SPAC)**.

## Key Points

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- **About Blank-cheque Company:**
  - A SPAC, or a blank-cheque company, is an entity **specifically set up with the objective of acquiring a firm** in a particular sector.
  - The aim of this SPAC is to raise money in an **Initial Public Offering (IPO)**, and at this point in time, it does not have any operations or revenues.
  - Once the money is raised from the public, it is kept in an **escrow account**, which can be accessed while making the acquisition.
  - If the **acquisition is not made within two years of the IPO**, the SPAC is **delisted** and the money is returned to the investors.
- **Significance:**
  - These are attractive to investors, despite them essentially being **shell companies**, as the blank-cheque companies are people sponsoring.
  - It is a fresh way of thinking of how to structure and exit versus an expensive IPO. The **money is already raised** by somebody who specialises in that area, and is now picking those assets and building on them.

## Shell Companies

- A shell company is a **firm that does not conduct any operations in the economy, but it is formally registered**, incorporated, or legally organized in the economy.
- These are **sometimes used illegitimately**, such as to disguise business ownership from law enforcement or the public.

## Initial Public Offering

- IPO is the **selling of securities** to the public in the **primary market**.
  - Primary market deals with new securities being issued for the first time. It is also known as the **new issues market**.
  - It is different from the **Secondary market where existing securities** are bought and sold. It is also known as the **stock market or stock exchange**.
- It is when an unlisted company makes either a fresh issue of securities or an offer for sale of its existing securities or both for the first time to the public.

Unlisted companies are companies that are not listed on the stock exchange.

## Escrow Account

- It is a legal concept **describing a financial instrument whereby an asset or escrow money is held by a third party** on behalf of two other parties that are in the process of completing a transaction.
- The third-party holds the funds until both parties have fulfilled their contractual requirements.
- Escrow is associated with real estate transactions, but it can apply to any situation where funds will pass from one party to another.

**Source:IE**

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