

News Analysis (17 Jun, 2021)

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Deep Ocean Mission

Why in News

Recently, the **<u>Cabinet Committee on Economic Affairs</u>** has approved the proposal of the Ministry of Earth Sciences (MoES) on the **Deep Ocean Mission (DOM)**.

The **blueprint of the DOM** to explore the deep recesses of the ocean was unveiled in 2018. Earlier, MoES had also rolled out the **draft Blue Economy Policy**.

DEEP OCEAN MISSION Deep Sea Mining through THESE POLYMETALLIC 'Underwater Vehicles' and **NODULES CONTAIN** 'Underwater Robotics' Manganese 92.6 MT Asserting exclusive rights to explore polymetallic Nickel 4.7 nodules from seabed over 75.000 sg km of areas Copper 4.3 in international water Estimated polymetallic Cobalt 1 nodules resource potential: (*figures are rounded off) 380 million tonnes (MT) Development of Deep ocean survey ocean climate change and exploration advisory services Energy from the ocean and offshore-based desalination Technology for sustainable utilisation of Krill fishery from marine bio-resources southern ocean

Key Points

- About:
 - The cost of the Mission has been estimated at Rs. 4,077 crore over a five-year period and will be implemented in phases. MoES will be the nodal ministry implementing this multiinstitutional ambitious mission.
 - It will be a **mission mode project to support the <u>Blue Economy</u> Initiatives** of the Government of India.

Blue Economy is the **sustainable use of ocean resources** for economic growth, improved livelihoods and jobs, and ocean ecosystem health.

• The **technology and expertise** needed in such missions is now available with only five countries - US, Russia, France, Japan and China.

India will now be the sixth country to have it.

Major Components:

- $\circ~$ Development of Technologies for Deep Sea Mining, and Manned Submersible:
 - A manned submersible will be developed to carry three people to a depth of 6,000 metres in the ocean with a suite of scientific sensors and tools.
 - An Integrated Mining System will be also developed for mining polymetallic nodules at those depths in the central Indian Ocean.

Polymetallic nodules are rocks scattered on the seabed containing iron, manganese, nickel and cobalt.

- The exploration studies of minerals will pave the way for commercial exploitation in the near future, as and when commercial exploitation code is evolved by the <u>International Seabed Authority</u>, an <u>United Nations (UN)</u> organisation.
- Development of Ocean Climate Change Advisory Services:

It entails developing a suite of observations and models to understand and provide future projections of important climate variables on seasonal to decadal time scales.

 Technological Innovations for Exploration and Conservation of Deep-sea Biodiversity:

Bio-prospecting of deep sea flora and fauna including microbes and studies on sustainable utilization of deep sea bio-resources will be the main focus.

• Deep Ocean Survey and Exploration:

It will explore and identify **potential sites of multi-metal Hydrothermal Sulphides mineralization** along the Indian Ocean mid-oceanic ridges.

• Energy and Freshwater from the Ocean:

Studies and detailed engineering design for offshore <u>Ocean Thermal Energy</u> <u>Conversion (OTEC)</u> powered <u>desalination plants</u> are envisaged in this proof of concept proposal.

OTEC is a technology which **uses ocean temperature differences** from the surface to depths lower than 1,000 meters, **to extract energy.**

- Advanced Marine Station for Ocean Biology:
 - It is aimed at the development of human capacity and enterprise in ocean biology and engineering.
 - It will translate research into industrial application and product development through on-site business incubator facilities.

- Significance:
 - Oceans, which cover 70% of the globe, remain a key part of our life. About 95% of the Deep Ocean remains unexplored.
 - Three sides of India are surrounded by the oceans and around 30% of the country's population living in coastal areas, the ocean is a major economic factor supporting fisheries and aquaculture, tourism, livelihoods and blue trade.
 - India has a unique maritime position. Its 7517 km long coastline is home to nine coastal states and 1382 islands.
 - The Government of India's **Vision of New India by 2030** announced in February 2019 highlighted the Blue Economy as one of the ten core dimensions of growth.
 - Oceans are also a storehouse of food, energy, minerals, medicines, modulator of weather and climate and underpin life on Earth.

Considering the importance of the oceans on sustainability, the UN has declared the decade, **2021-2030 as the Decade of Ocean Science for Sustainable Development.**

• Other Blue Economy Initiatives:

• India-Norway Task Force on Blue Economy for Sustainable Development :

It was inaugurated jointly by both the countries in 2020 to develop and follow up joint initiatives between the two countries.

• Sagarmala Project:

The **<u>Sagarmala project</u>** is the strategic initiative for port-led development through the extensive use of IT enabled services for modernization of ports.

• O-SMART:

India has an umbrella scheme by the name of **<u>O-SMART</u>** which aims at regulated use of oceans, marine resources for sustainable development.

• Integrated Coastal Zone Management:

It focuses on conservation of coastal and marine resources, and improving livelihood opportunities for coastal communities etc.

• National Fisheries Policy :

India has a National Fisheries policy for promoting 'Blue Growth Initiative' which focuses on sustainable utilization of fisheries wealth from marine and other aquatic resources.

Source:PIB

Corporatization of Ordnance Factory Board

Why in News

Recently, the Union Cabinet approved a plan to corporatise the Ordnance Factory Board (OFB).

The Working of Seven New Entities

While OFB will cease to exist, its 41 factories would be converted into seven government-owned corporate entities. Vehicles Group: Ammunition and Explosives Group: Weapons and Troop Comfort Gr Others will Equipment Group: To engage in To focus on production of To make combat vehicles be an Ancillary production of ammunition of various such as tanks, trawls, mine-To make small, medium Group. calibre. Will have a huge protected vehicles and uniforms and and large calibre guns OptoElectronics specialised export potential as well armoured troop carriers for security forces Group and gear for troops The Need For Revamp Parachute Group High cost of orders placed on the OFB is another worry as The military had three major issues the organisation has been nominated for tenders worth with the older OFB structure thousands of crores without competitive biddings The Biggest concern was poor quality of Lack of adhering to timelines by the OFB was a equipment and ammunition delivered, which has led to loss of confidence by the user and a big concern as it had an cascading effect on the combat readiness of the Army 'lowering of morale of the troops on ground'

Key Points

- New Structure:
 - 41 factories across the country will be dissolved into seven new Defence Public Sector Undertakings (DPSU). The newly created entities will be 100% owned by the government.
 - These entities will be responsible for different verticals of the products such as the Ammunition and Explosives group will be engaged in production of ammunition while a Vehicles group will engage in production of defence mobility and combat vehicles.
 - All OFB employees in the production units will be transferred to the new corporate entities on a deemed deputation initially for a period of two years without altering their service conditions as central government employees.
 - Pension liabilities of the retirees and existing employees will continue to be borne by the government.
- OFB:
 - It is an umbrella body for the ordnance factories and related institutions, and is currently a subordinate office of the Ministry of Defence (MoD).
 - The first Indian ordnance factory was set up in the **year 1712** by the Dutch Company as a **GunPowder Factory, West Bengal**.
 - It is **a conglomerate** of 41 factories, 9 training Institutes, 3 regional marketing centres and 5 regional controllers of safety.
 - Headquarters: Kolkata
 - **Significance:** A major chunk of the weapon, ammunition and supplies for not just armed forces but also paramilitary and police forces comes from the OFB-run factories.
 - **Production includes:** Civilian and military-grade arms and ammunition, explosives, propellants and chemicals for missile systems, military vehicles, armoured vehicles, optical devices, parachutes, support equipment, troop clothing and general store items.

- Reasons for Corporatization:
 - A performance evaluation by the Comptroller and Auditor General (CAG) in its report for
 - **2019 on the OFB** highlights a few of the lacunae, which ails this organisation.
 - Overheads (expenses not directly attributed to creating a product or service) constitute a staggering 33% of the overall allotted budget for the year.
 - The major contributors being supervision costs and indirect labour costs.
 - Delayed Production: The Ordnance factories achieved production targets for only 49% of the items.

More than half the inventory (52%) was store-in-hand, procured for manufacture but not used within the year by the factories.

- The <u>Atmanirbhar Bharat initiative</u>, also calls for the Corporatisation of OFB for: 'improving autonomy, accountability and efficiency in ordnance suppliers'.
- Importance of new structure:
 - The restructure would also help in overcoming various shortcomings in the existing system of the OFB by eliminating inefficient supply chains and provide these companies incentive to become competitive and explore new opportunities in the market.
 - It will **allow these companies autonomy** as well as help improve accountability and efficiency.
 - The restructuring is aimed at transforming the ordnance factories into productive and profitable assets, deepen their specialisation in product range, enhance competitiveness and improve quality and cost-efficiency.
- Apprehensions:
 - One of the main apprehensions of the employees is that corporatisation (ownership and management lies with the government) would eventually lead to privatisation (transfer of ownership and management rights to the private player).
 - The **new corporate entities** would **not be able to survive the unique market** environment of defence products that has very unstable demand and supply dynamics.
 - Restructuring **will result in greater autonomy and lesser government** control over the corporation but there is a fear of job loss.

Way Forward

- The corporatisation of OFB is likely to transform ordnance factories into a modernised, state of the art facility with flexible and better decision making in its functioning.
- There is a need to have a reflective road-map for the plan. This can help to ease the apprehensions regarding the corporatization.

Source: TH

ADB Loan for Chennai - Kanyakumari Industrial Corridor

Why in News

Recently, the **Asian Development Bank (ADB)** and the Government of India signed a **USD 484 million loan** for the **Tamil Nadu Industrial Connectivity Project.**

The loan is to **improve transport connectivity and facilitate industrial development in the Chennai - Kanyakumari Industrial Corridor (CKIC)** in the state of **Tamil Nadu**.

Asian Development Bank

- It is a regional development bank established on 19th December 1966. It is headquartered in Manila, Philippines.
- It now has 68 members, 49 from within Asia. India is a member.
- It's **five largest shareholders are Japan** and the **United States** (each with 15.6% of total shares), the People's Republic of **China** (6.4%), **India** (6.3%), and **Australia** (5.8%).
- It aims to promote social and economic development in Asia and the Pacific.

Key Points

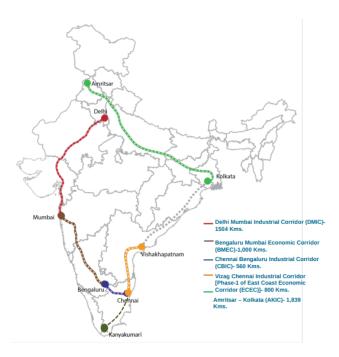
- About:
 - The loan is in line with Strategy 2030, ADB's long-term corporate strategy, the project emphasises sustainability, climate change resilience, and road safety elements. Under Strategy 2030, ADB will expand its vision to achieve a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty.
 - CKIC is part of India's East Coast Economic Corridor (ECEC).
- Industrial Corridors Scheme:
 - An **industrial corridor** is an economic ecosystem built around a transportation corridor connecting two major economic centres, where the transportation corridor serves as the nerve centre of the economic activity across the corridor.

In addition to the transportation corridor, a well-designed industrial corridor **contains** clusters of industrial production serving regional and global demand, and urban centers proliferating equitable development.

 In 2019, the government approved the development of the five industrial corridor projects, being implemented through National Industrial Corridor Development and Implementation Trust (NICDIT).

NICDIT is an apex body under the administrative control of the **Department for Promotion of Industry and Internal Trade (DPIIT)**, Ministry of Commerce and Industry.

- Five Industrial Corridor Projects:
 - Delhi Mumbai Industrial Corridor (DMIC).
 - Amritsar Kolkata Industrial Corridor (AKIC).
 - Chennai Bangalore Industrial Corridor (CBIC).
 - East Coast Economic Corridor (ECEC) with Vizag Chennai Industrial Corridor (VCIC).
 - Bangalore Mumbai Industrial Corridor (BMIC).



- East Coast Economic Corridor:
 - It stretches from **West Bengal to Tamil Nadu** and connects India to the production networks of South, Southeast, and East Asia.

ADB is the lead partner of the Government of India in developing ECEC.

• It covers West Bengal, Odisha, Andhra Pradesh and Tamil Nadu. Vizag to Chennai segment of this Corridor has been taken as phase-1.

Vizag-Chennai Industrial Corridor (VCIC) is the first coastal economic corridor in the country.

It is aligned with the Golden Quadrilateral. It also plays a critical role in the <u>"Act East</u> <u>Policy"</u> of India.

The Golden Quadrilateral is the **longest road project in India** and the fifth-longest highway in the world. It connects Delhi, Mumbai, Kolkata and Chennai.

Significance of Industrial Corridors:

- Avenues for Exports:
 - The Industrial Corridors are likely to lower the cost of logistics thereby increasing the efficiency of industrial production structure.
 - Such an efficiency lowers the cost of production which makes the Indian made products more competitive in international markets.
- Job Opportunities:

It will attract investments for the development of Industries which is likely to create more jobs in the market.

• Environmental Significance:

The establishment of Industrial Units in a scattered manner along the industrial corridor across the length of the state will **prevent concentration of industries in one particular location** which exploited the environment beyond its carrying capacity and caused environmental degradation.

• Socio-Economic Significance:

The cascading effect of industrial corridors in socio-economic terms are many such as the **setting up of industrial townships**, **educational institutions**, **hospitals**. These will further raise the standards of human development.

Loan to Sri Lanka for Solar Energy

Why in News

Recently, India has signed an agreement **extending a USD 100 million Line of Credit (LOC) to <u>Sri</u> <u>Lanka</u> for projects in the Solar Energy Sector. The LOC is for a period of 20 years, with an interest of 1.75%.**

- The agreement was signed between the **Government of Sri Lanka** and the **Export-Import** (EXIM) Bank of India.
- EXIM Bank is a specialized financial institution, wholly owned by the Government of India.



Line of Credit

- It is a credit facility extended by a bank or any other financial institution to a government, business or an individual customer, that enables the customer to draw the maximum loan amount.
- The borrower can access funds from the line of credit at any time as long as they do not exceed the maximum amount (or credit limit) set in the agreement and meet any other requirements such as making timely minimum payments.

Key Points

• Significance of the LOC:

It will help **finance various projects** in the solar energy sector in Sri Lanka, such as **rooftop solar photo-voltaic systems** for households and government buildings. Some of these projects were announced during the **Founding Conference of the International Solar Alliance (ISA)** held in March 2018 in Delhi.

- India's Initiatives for Global Cooperation Solar Energy:
 - International Solar Alliance (ISA):
 - The ISA was launched by the Prime Minister of India and the President of France in 2015 on the side-lines of the United Nations Climate Change <u>Conference</u> <u>of the Parties (COP-21)</u>, with 121 solar resource rich countries lying fully or partially between the tropic of Cancer and tropic of Capricorn as prospective members.
 - **89 countries** have signed the ISA framework agreement.
 - ISA' vision is to enable **One World**, **One Sun**, **One Grid** (**OSOWOG**).
 - One Sun, One World, One Grid (OSOWOG):

It focuses on a framework for facilitating global cooperation, building a global ecosystem of interconnected renewable energy resources (mainly solar energy) that can be seamlessly shared.

- Schemes for Promoting Solar Energy in India: Recently, India achieved 5th global position in solar power deployment by surpassing Italy.
 - **National Solar Mission** (a part of National Action Plan on Climate Change): The aim is to establish India as a global leader in solar energy by creating the policy conditions for its deployment across the country.
 - <u>Rooftop Solar Scheme</u>: To generate solar power by installing solar panels on the roof of the houses, the Ministry of New and Renewable Energy is implementing <u>Grid-connected</u> <u>Rooftop Solar Scheme (Phase II)</u>.
 - **Production-linked Incentive (PLI) scheme** to promote manufacturing of high efficiency solar PV modules in India.
 - Scheme for Development of Ultra Mega Renewable Energy Power Parks: It is a scheme to develop Ultra Mega Renewable Energy Power Parks (UMREPPs) under the existing Solar Park Scheme.
 - <u>Kisan Urja Suraksha evam Utthaan Mahabhiyan</u> (PM-KUSUM): The scheme covers grid-connected Renewable Energy power plants (0.5 – 2 MW)/Solar water pumps/grid connected agriculture pumps.
 - National Wind-Solar Hybrid Policy, 2018: its main objective is to provide a framework for promotion of large grid connected wind-solar PV hybrid systems for optimal and efficient utilization of wind and solar resources, transmission infrastructure and land.
 - Atal Jyoti Yojana (AJAY): It was launched in September 2016 for the installation of solar street lighting (SSL) systems in states with less than 50% households covered with grid power (as per Census 2011).
 - **Suryamitra Skill Development Programme:** To provide skill training to rural youth in handling solar installations.

Source: TH

Children and Digital Dumpsites: WHO Report

Why in News

The <u>World Health Organization (WHO)</u> in its recent report "Children and Digital Dumpsites" has underlined the risk that children working in informal processing are facing due to discarded electronic devices or e-waste.

- There are as many as **18 million children** (as young as five years) and about **12.9 million women** work at these e-waste dumpsites every year.
- The e-waste from high-income countries is dumped in the middle- or low-income countries for processing every year.

Key Points

• About the E-waste:

E-Waste is short for **Electronic-Waste**. It is the term used to describe old, end-of-life or discarded electronic appliances.

- It majorly includes electronic equipment, completely or in part discarded as waste by the consumer or bulk consumer as well as rejects from manufacturing, refurbishment and repair processes.
- It contains over 1,000 precious metals and other substances like gold, copper, lead, mercury, cadmium, chromium, polybrominated biphenyls and polycyclic aromatic hydrocarbons.
- Volume of E-waste:
 - **Global Scenario:** According to the **Global E-waste Statistics Partnership**, the volume of e-waste generated is surging rapidly across the globe.
 - About 53.6 million tonnes of e-waste was generated in 2019.
 - Only 17.4% of this e-waste was processed in formal recycling facilities. The rest of it was dumped in low- or middle-income countries for illegal processing by informal workers.
 - This is because of the **rise in the number of smartphones and computers.**
 - Indian Scenario:
 - According to the <u>Central Pollution Control Board (CPCB)</u>, India generated more than 10 lakh tonnes of e-waste in 2019-20, an increase from 7 lakh tonnes in 2017-18. Against this, the e-waste dismantling capacity has not been increased from 7.82 lakh tonnes since 2017-18.
 - In 2018, the Ministry of Environment had told the tribunal that 95% of e-waste in India is recycled by the informal sector and scrap dealers unscientifically dispose of it by burning or dissolving it in acids.
- Impact of Working at Digital Dumpsites:
 - On Children: The children working at these 'digital dumpsites' are more prone to improper lung function, deoxyribonucleic acid damage and increased risk of chronic diseases like cancer and cardiovascular disease.

They are less likely to metabolise or eradicate pollutants absorbed.

- On Women: Several women, including expectant mothers, also work there. Processing ewaste exposes them as well as their children to these toxins, which can lead to premature births and stillbirth.
- **On Others:** The hazardous impact of working at such sites is also **experienced by families and communities** that reside in the vicinity of these e-waste dumpsites.

- Management of E-waste (International Convention):
 - Basel Convention on the Control of the Trans-boundary Movement of Hazardous Waste, 1992.
 - Originally the <u>Basel Convention</u> did not mention e-waste but later it addressed the issues of e-waste in 2006 (COP8).
 - The convention seeks to ensure environmentally sound management; prevention of illegal traffic to developing countries and; building capacity to better manage e-waste.
 - The Nairobi Declaration was adopted at COP9 of the Basel Convention. It aimed at creating innovative solutions for the environmentally sound management of electronic wastes.
- Management of E-waste in India:
 - Producers:

The government has implemented the <u>E-waste (Management) Rules (2016)</u> which enforces the **Extended Producer Responsibility (EPR).**

Under EPR principle the producers have been made responsible to collect a certain percentage of E-waste generated from their goods once they have reached their "end-of-life".

• State Governments:

- They have been entrusted with the responsibility for maintaining industrial space for e-waste dismantling and recycling facilities.
- They are also expected to establish measures for protecting the health and safety of workers engaged in the dismantling and recycling facilities for e-waste.

• Recycling of E-waste:

<u>India's first e-waste clinic</u> for segregating, processing and disposal of waste from household and commercial units has been set-up in **Bhopal, Madhya Pradesh**.

Way Forward

- Most of the e-waste is recycled in India in unorganized units, which **engage a significant number of manpower.** Recovery of metals from Printed Circuit Boards (PCBs) by primitive means is a most hazardous act.
- Proper education, awareness and most importantly alternative cost effective technology need to be provided so that better means can be provided to those who earn their livelihood from this.
- A holistic approach is needed to address the challenges faced by India in e-waste management.
 One approach could be for units in the unorganized sector to concentrate on collection, dismantling, segregation, whereas, the metal extraction, recycling and disposal could be done by the organized sector.
- A **suitable mechanism** needs to be evolved to include small units in the unorganized sector and large units in the organized sector into a single value chain.

Source: DTE

8th ADMM-Plus Meeting

Why in News

Recently, the defence minister addressed the 8th ASEAN Defence Ministers Meeting (ADMM) Plus.

The ADMM-Plus is a platform for **ASEAN and its eight Dialogue Partners.**

Key Points

Security & Dispute Resolution:

- India called for an open and inclusive order in <u>Indo-Pacific</u> based upon respect for sovereignty and territorial integrity of nations.
- Supports freedom of navigation, overflight, and unimpeded commerce in the international waterways including the <u>South China Sea</u>, India hopes that the Code of Conduct negotiations (for South China Sea) will lead to outcomes that are in keeping with international law, including the the <u>United Nations Convention on the Law of the Sea</u> <u>(UNCLOS).</u>
 - Recently, ASEAN and China agreed to <u>expedite the resumption of negotiations on</u> <u>the code</u>, which were halted by the pandemic.
 - China and ASEAN started negotiations in 2013 on a supposedly binding code of conduct.
- Stressed on **peaceful resolutions of disputes** through dialogue and adherence to international rules and laws.
- Need new systems to address the emerging challenges to international peace and security.
- Act East Policy:

The key elements of the <u>Act East Policy</u> aims to promote economic cooperation, cultural ties and develop strategic relationships with countries in the Indo-Pacific region through continuous engagement at bilateral, regional and multilateral levels.

- Terrorism:
 - Called for **collective cooperation to fully disrupt terror organisations** and their networks.

Identify the perpetrators and hold them accountable and ensure that **strong measures are taken against those who support and finance terrorism** and provide sanctuary to terrorists.

• As a member of the **Financial Action Task Force (FATF)** India remains committed to combat financing of terrorism.

FATF is the global money laundering and terrorist financing watchdog.

• Cybersecurity:

Called for a **multi-stakeholder approach, guided by democratic values,** with a governance structure that is open and inclusive and a secure, open and stable internet with due respect to sovereignty of countries, that would drive the future of cyberspace.

• Covid-19:

Globally available patent free <u>vaccines</u>, unhindered supply chains and greater global medical capacities are some of the lines of effort that India has suggested for a combined effort.

South Africa and India have called for the <u>World Trade Organization (WTO)</u> to suspend intellectual property (IP) rights related to <u>Covid-19</u> to ensure equitable sharing of vaccines and new technology to control the pandemic.

• Humanitarian Assistance and Disaster Relief (HADR) Operations:

- India remains one of the first to respond in times of distress in the immediate as well as extended neighbourhood.
- As a founding member of the Heads of Asian Coast Guard Agencies Meeting (HACGAM), India seeks to enhance capacity building through collaboration in the areas of Maritime Search & Rescue.

HACGAM is an **apex level forum facilitating the congregation of all the major Coast Guard Agencies of the Asian region**, it was **established in 2004**.

• ASEAN Centrality:

- India shares a deep connection with ASEAN and has continued its active engagement in many areas contributing to regional peace and stability, particularly through ASEAN led mechanisms, such as:
- The India-ASEAN strategic partnership has been strengthened by virtue of flourishing cultural and civilisational links and enhanced people-to-people cooperation.

ADMM-Plus

- About:
 - The 2nd ASEAN Defence Ministers' Meeting (ADMM) in 2007 at Singapore adopted a resolution to establish the ADMM-Plus.
 - The first ADMM-Plus was convened at Hanoi, Vietnam in 2010.
 - **Brunei** is the Chair of the ADMM Plus forum for the year 2021.
 - It is an **annual meeting of Defence Ministers** of 10 ASEAN countries and eight dialogue partner countries.

The **Association of Southeast Asian Nations (ASEAN)** is a regional organization which was established to promote political and social stability amid rising tensions among the Asia-Pacific's post-colonial states.

• Membership:

The ADMM-Plus countries include **ten ASEAN Member States** and **eight Plus countries**, namely **Australia**, **China**, **India**, **Japan**, **New Zealand**, **Republic of Korea**, **Russian Federation**, **and the United States**.

• Aim:

It aims to promote mutual trust and confidence between defence establishments through greater dialogue and transparency.

Areas of cooperation:

Maritime security, counter-terrorism, humanitarian assistance and disaster relief, peacekeeping operations and military medicine.

ADMM / ADMM-Plus

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Myanmar	Lao PDR		Australia	United States	
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Cambodia	Philippines		India	South Korea	
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Indonesia	Vietnam		Japan	China	

Brunei	Thailand		New Zealand	Russia	
			ASEAN dialogue partners + ASEAN member states		
Malaysia	Singapore		8		
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ASEAN mem	ber states				

Source:PIB

New Norms on Hallmarking of Gold

Why in News

Recently, the **Ministry of Consumer Affairs, Food & Public Distribution made it mandatory for the hallmarking of gold jewellery,** which will be **implemented in a phased manner.**

Key Points

- About Hallmarking:
 - The <u>Bureau of Indian Standard (BIS)</u>, which operates the gold and silver hallmarking scheme in India, defines hallmarking as the "accurate determination and official recording of the proportionate content of precious metal in precious metal articles."
 - So, it is a **"guarantee of purity or fineness"** of precious metal articles, which **started in 2000.**
 - In India, at present **two precious metals namely gold and silver** have been brought **under the purview of Hallmarking.**
 - The BIS certified jewellers can get their jewellery hallmarked from any of the BIS recognized Assaying and Hallmarking Centres (A&HC).
 - Earlier, it was **optional for the jewellers** and thus **only 40% of gold jewellery** was getting hallmarked.

- Implementation in a Phased Manner:
 - In the first phase, gold hallmarking will be available only in 256 districts and jewellers having annual turnover above Rs. 40 lakh will come under its purview.
 - A certain category of jewellery and items will also be exempted from the mandatory requirement of hallmarking.

Jewellery for international exhibitions, jewellery for government-approved B2B (Business-to-Business) domestic exhibitions will be exempted from mandatory Hallmarking.

- Need of Gold Hallmarking:
 - India is the biggest consumer of gold. However, the level of hallmarked jewellery is very low in the country.
 - The mandatory hallmarking will protect the public against lower caratage (the fraction of pure gold) and ensure consumers do not get cheated while buying gold ornaments.
 It will help to get the purity as marked on the ornaments.
 - It will bring in transparency and assure the consumers of quality.
 - It will weed out anomalies and corruption in the system of manufacturing of jewellery.

Bureau of Indian Standards

- BIS is the **National Standard Body** of India for the harmonious development of the activities of **standardization**, **marking and quality certification of goods**.
- **Standards Formulation:** BIS formulates Indian Standards in line with the national priorities for various sectors that have been grouped under 14 Departments like Chemicals, Food and Agriculture, Civil, Electro-technical, Electronics & Information Technology, etc.
- BIS' International Activities:
 - BIS is a founder member of ISO (International Organization for Standardization) and is actively involved in the development of International Standards.
 - India is represented in IEC (International Electro-technical Commission) through BIS.
 IEC is the world's leading organization for the preparation and publication of International Standards for all electrical, electronic and related technologies.
 - BIS is the National Enquiry Point for WTO -TBT (World Trade Organisation Technical Barriers to Trade).
- Other Initiatives:
 - BIS SDO Recognition Scheme:

To attain the **One Nation One Standard** vision of the Government of India, BIS launched a scheme which provides for Recognition of SDO (Standard Developing Organization).

• Product Certification Scheme:

BIS operates a Product Certification scheme for ensuring compliance to Indian Standards. Presence of **BIS standard mark (popularly known as ISI mark)** on a product indicates conformity to the relevant Indian Standard.

Source: IE