



News Analysis (23 Jul, 2021)

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Surveillance Laws in India and Privacy

Why in News

Recently, a global collaborative investigative effort has revealed that, at least 300 **individuals in India, were potentially identified for targeted surveillance** using sophisticated **spyware called Pegasus**. However, the government has claimed that all interception in India takes place lawfully.

- Communication surveillance in India takes place primarily under **two laws** - the **Telegraph Act, 1885** and the **Information Technology Act, 2000**.
- While the **Telegraph Act** deals with interception of calls, the **IT Act** was enacted to deal with surveillance of all electronic communication.

THE PEGASUS PROJECT


➤ Paris-based media nonprofit Forbidden Stories and Amnesty International accessed a leaked database of thousands of phone numbers across the world targeted by a spyware called Pegasus

➤ They shared the data with global media organisations as part of a collaborative investigation called Pegasus Project

➤ An Israeli

company called NSO Group makes Pegasus, a spyware capable of extracting data from a phone

➤ According to the report, at least 2 Union Cabinet ministers, 3 opposition leaders, a Constitutional authority, government officials, scientists and over 40 journalists in India were targeted



Key Points

- **Telegraph Act:**

- Under **Section 5(2) of this law**, the government can intercept calls only in certain situations:
 - Interests of the sovereignty and integrity of India,
 - Security of the state,
 - Friendly relations with foreign states or public order,
 - Preventing incitement to the commission of an offence.
- These are the same restrictions imposed on free speech under **Article 19(2) of the Constitution**.
- However, these restrictions can be imposed only when there is a **condition precedent** - the **occurrence of any public emergency, or in the interest of public safety**.
- Further, the grounds of selecting a person for surveillance and extent of information gathering has to be **recorded in writing**.
- This lawful interception **cannot take place against journalists**.
Provided that press messages intended to be published in India of correspondents accredited to the Central Government or a State Government, unless their transmission has been prohibited under this subsection.
- **Supreme Court Intervention:** In ***Public Union for Civil Liberties v Union of India (1996)***, the SC pointed out lack of procedural safeguards in the provisions of the Telegraph Act and laid down following observations:
 - Tapping is a **serious invasion of an individual's privacy**.
 - It is no doubt correct that every Government exercises some degree of surveillance operation as a **part of its intelligence** outfit but at the same time **citizen's right to privacy has to be protected**.
- **Sanction for Interception:** The abovementioned Supreme Court's observations formed the basis of **introducing Rule 419A** in the Telegraph Rules in 2007 and later in the rules prescribed under the IT Act in 2009.
Rule 419A states that a **Secretary to the Government of India (not below the rank of a Joint Secretary)** in the Ministry of Home Affairs can pass orders of interception in the case of Centre, and similar provisions exist at the state level.

- **IT Act, 2000:**

- **Section 69 of the Information Technology Act and the Information Technology (Procedure for Safeguards for Interception, Monitoring and Decryption of Information) Rules, 2009** were enacted to further the legal framework for electronic surveillance.
- However, the scope of **Section 69 the IT Act** is much broader and vague than the Telegraph Act as the only condition precedent for engaging electronic surveillance is for the **"investigation of an offence"**.
- These provisions are problematic and offer the **government total opacity in respect of its interception and monitoring activities**.

- **Associated Issues with the Surveillance:**
 - **Legal Loopholes:** According to the Centre for Internet & Society, the **gaps in laws allow surveillance and affect privacy**. For example:
 - Ambiguity on issues** like type of interception, granularity of information that can be intercepted and the **degree of assistance from service providers** helps in bypassing the law and aids surveillance by the state.
 - **Affects Fundamental Rights:** The very existence of a surveillance system impacts the right to privacy (held by the SC in **K.S. Puttaswamy v. Union of India case, 2017**) and the exercise of freedom of speech and personal liberty under **Articles 19 and 21 of the Constitution**.
 - **Authoritarian Regime:** The surveillance promotes spread of authoritarianism in the government functioning since it allows the executive to exercise a disproportionate amount of power on the citizen and impacts their personal lives.
 - **Threat to Freedom of Press:** Current revelations over the use of Pegasus highlights that surveillance was also conducted on many journalists. This affects freedom of press.

Way Forward

- There is a need for reforms in the Indian surveillance regime, which should incorporate **ethics of surveillance** and considers the moral aspects of how surveillance is employed.
- In this context, there is a need for a holistic debate before the **Personal Data Protection (PDP) Bill, 2019** is enacted.
- So that the law can be tested against the **cornerstone of fundamental rights** and **growth of the digital economy and security of the country** can be balanced.

Source: IE

Essential Defence Services Bill, 2021

Why in News

Recently, the government introduced the **Essential Defence Services Bill, 2021** in Lok Sabha.

It seeks to **replace the ordinance issued in June 2021** and **prohibits any agitation and strike** by anyone engaged in the **essential defence services**.

Key Points

- **Essential Defence Services:**
 - It includes any service in any **establishment or undertaking dealing with production of goods or equipment required for defence** related purposes or any **establishment of the armed forces** or connected with them or defence.
 - It also includes services that, **if ceased, would affect the safety of the establishment engaged in such services** or its employees.
 - In addition, the **government may declare any service as an essential defence service** if its cessation would affect the:
 - Production of defence equipment or goods.
 - Operation or maintenance of industrial establishments or units engaged in such production.
 - Repair or maintenance of products connected with defence.
- **Defined Strikes:**

It is defined as **cessation of work by a body of persons acting together**, which includes:

 - **Mass casual leave.**
 - **Coordinated refusal** of any number of persons to continue to work or accept employment.
 - **Refusal to work overtime**, where such work is necessary for maintenance of essential defence services.
 - Any other conduct which results in, or is likely to result in, **disruption of work in essential defence services.**
- **Prohibition on strikes, lock-outs, and lay-offs:**
 - Government **may prohibit strikes, lock-outs, and lay-offs in units engaged in essential defence services.**
 - It may issue such an order if necessary in the interest of **sovereignty and integrity** of India, **security** of any state, **public order, public, decency and morality.**

- **Punishment:**
 - **Illegal Lock-Outs and Lay-Offs:**
Employers violating the prohibition order through illegal lock-outs or lay-offs will be punished with up to **one year imprisonment or Rs 10,000 fine, or both.**
 - **Strikes:**
 - **Persons commencing or participating in illegal strikes** - Up to one year imprisonment or **Rs 10,000 fine**, or both.
 - **Persons instigating, inciting, or taking actions to continue illegal strikes, or knowingly supplying money** for such purposes- Up to two years imprisonment or Rs 15,000 fine, or both.
 - Such an employee will be liable to **disciplinary action** including dismissal as per the terms and conditions of his service.
 - In such cases, the **concerned authority is allowed to dismiss or remove the employee without any inquiry**, if it is not reasonably practicable to hold such inquiry.
 - All offences punishable will be **cognisable and non-bailable**.
Cognisable offences are those that require an immediate arrest.
- **Public Utility Service:**
It will amend the **Industrial Disputes Act, 1947** to include essential defence services under **public utility services**.
The undertakings which supply the **basic necessary services** such as electricity, water, gas, power, transport etc. comes under the purview of the public utility services.

Right to Strikes

- Right to strike is recognized globally. **Article 19(1)** the Constitution of India guarantees the protection of certain freedoms as fundamental rights such as:
 - Freedom of **speech and expression**.
 - **Assemble peaceably** and without arms.
 - Form **associations or unions**.
 - **Move freely** throughout the territory of India.
 - **Reside and settle** in any part of the territory of India.
 - **Practise any profession**, or to carry on any occupation, trade or business.
- However, **strike is not expressly recognized in the Constitution of India**. The **Supreme Court** settled the case of **Kameshwar Prasad v. The State of Bihar 1958** by stating that **strike is not a fundamental right**. Government employees have no legal or moral rights to go on strikes.
- India recognized strike as a **statutory right under the Industrial Disputes Act, 1947**.

Industrial Disputes Act 1947

- It defines public utility service and strike, it also puts certain prohibitions on the right to strike. It provides that **no person employed in public utility service shall go on strike in breach of contract:**
 - **Without** giving the employer **notice of strike** within six weeks before striking.
 - Within **fourteen days of giving such notice.**
 - **Before the expiry of the date** of strike specified in any such notice as aforesaid.
 - During the **pendency of any conciliation proceedings** before a conciliation officer and seven days after the conclusion of such proceedings.
- It is to be noted that **these provisions do not prohibit the workmen** from going on strike but **require them to fulfill the condition before going on strike.** Further these provisions apply to a **public utility service only.**

Source: IE

Judicial Appointments to High Courts

Why in News

Recently, the **Union Minister of Law and Justice** informed the **Rajya Sabha** regarding the appointment of judges in various high courts.

- The minister pointed out that filling up vacancies in the higher judiciary is a **continuous, integrated** and **collaborative process** between the **Executive** and the **Judiciary.**
- It requires **consultation and approval** from **Constitutional authorities** at the **State** as well as **Central level.**

Key Points

- **Appointment of HC Judges:**
 - **Article 217 of the Constitution:** It states that the **Judge of a High Court** shall be **appointed by the President** in consultation with the **Chief Justice of India (CJI)**, the **Governor of the State**.
 - In the case of appointment of a Judge other than the Chief Justice, the **Chief Justice of the High Court is consulted**.
 - **Consultation Process:** High Court judges are recommended by a **Collegium** comprising the **CJI and two senior-most judges**.
 - The proposal, however, is **initiated by the Chief Justice of the High Court** concerned in consultation with two senior-most colleagues.
 - The recommendation is sent to the Chief Minister, who advises the Governor to send the proposal to the Union Law Minister.
 - The **Chief Justice of the High Court** is appointed as per the policy of having Chief Justices from outside the respective States.
 - The Collegium takes the call on the elevation.
 - **Ad-hoc Judges:** The appointment of retired judges was provided for in the Constitution under **Article 224A**.
 - Under the Article, the **Chief Justice of a High Court** for any State may at any time, with the **previous consent of the President**, request any person who has held the office of judge of that court or of any other High Court to sit and act as a judge of the High Court for that State.
 - Recently, the Supreme Court pushed for the **appointment of retired judges** to battle the pendency of cases in High Courts.
 - It orally outlined prospective guidelines for the appointment and functioning of an ad-hoc judge.
- **Collegium System:**
 - It is the system of appointment and transfer of judges that has evolved through judgments of the SC, and **not by an Act of Parliament** or by a **provision of the Constitution**.
 - **Evolution of the System:**
 - **First Judges Case (1981):** It declared that the “primacy” of the Chief Justice of India (CJI) recommendation on judicial appointments and transfers can be refused for “cogent reasons.”
 - The ruling gave the **Executive primacy over the Judiciary** in judicial appointments for the next 12 years.
 - **Second Judges Case (1993):** SC introduced the **Collegium system**, holding that “**consultation**” really meant “**concurrence**”.
 - It added that it was **not the CJI’s individual opinion**, but an institutional opinion formed in consultation with the two senior-most judges in the SC.
 - **Third Judges Case (1998):** SC on President’s reference expanded the Collegium to a five-member body, comprising the CJI and four of his senior-most colleagues (for example for the transfer of HC judges).

- **Issues Involved:**
 - **Cumbersome Process:** There are inordinate delays in the appointment of High Court judges and depleting numbers in the higher judiciary threaten to affect the justice delivery mechanism.
 - **Lack of transparency:** The absence of formal criteria has multiple worrying implications.
 - Presently, there is no structured process to investigate if a judge who is recommended by the collegium has any conflict of interests.
 - **Improper Representation:** The collegium system structurally tends to favour particular sections of society and is far from being representative of the population for whom it seeks to deliver justice.
 - **Vacancy in High Courts:** The total sanctioned strength of judges across the 25 high courts is 1,098 but the working strength is only 645, a shortfall of 453 judges.
 - **High Pendency of Cases:** The total pendency of cases in the several courts of India at different levels, sums up to a total of about 3.7 crores thus increasing the demand of a better and improved judicial system.
- **Attempts of Reform:**
 - The attempt was made to replace the Collegium by a '**National Judicial Appointments Commission (NJAC)**' in 2014 through the **99th Constitutional Amendment Act, 2014**.
 - The NJAC proposed to make the appointment of High Court and Supreme Court judges and chief justices more **transparent**.
 - They will be selected by the commission, whose members will be drawn from the judiciary, legislature and civil society.
 - The **Constitutional Bench** of the Supreme Court declared **NJAC unconstitutional in 2015**, citing that it violates the **Basic Structure** of the **Constitution of India** on the ground that it posed a threat to the independence of the judiciary.

Way Forward

- It is time to think of a permanent, independent body to institutionalize the process with adequate safeguards to preserve the judiciary's independence guaranteeing judicial primacy but not judicial exclusivity.
 - It should ensure independence, reflect diversity, demonstrate professional competence and integrity.
- Instead of selecting the number of judges required against a certain number of vacancies, the collegium must provide a panel of possible names to the President to appoint in order of preference and other valid criteria.

Source: TH

Dying Declaration

Why in News

Recently, a special **Central Bureau of Investigation (CBI)** court awarded two policemen life sentences for the **custodial death** of a murder accused on the basis of the '**Dying Declaration**' made by the victim prior to his death.

CBI is the **premier investigating police agency** in India. It functions under the superintendence of the **Deptt. of Personnel, Ministry of Personnel, Pension & Public Grievances** - which falls under the **prime minister's office**.

Key Points

- **About:**

- **Section-32(1) of Indian Evidence Act, 1872**, defines dying declaration as a **statement written or verbal of relevant facts made by a person, who is dead**. It is the statement of a person who had died explaining the circumstances of his death.

This is based on the maxim '*nemo mariturus presumuntur mentri*' i.e. a man will not meet his maker with a lie on his mouth.

- The general rule under Section 60 of the Act is that **all oral evidence must be direct - he heard it, saw it or perceived it**.

- **Rules for Admission of Dying Declaration:**

The grounds of admission under a dying declaration have been **based on two broad rules:**

- The **victim being generally the only principal eye-witness to the crime**.
- The **sense of impending death, which creates a sanction equal to the obligation of an oath in a court**.

- **Recording Dying Declaration:**

- Anyone can record the dying declaration of the deceased as per law. However, a **dying declaration recorded by a Judicial or Executive Magistrate will add an additional strength** to the prosecution case.

A dying declaration may in several cases be the "**primary piece of evidence to prove the genesis of occurrence**".

- The only requirement for such a declaration to be held perfectly accountable in court is for the **victim to volunteer the statement and be of conscious mind**.

The person who records the dying declaration must be satisfied that the victim is in a fit state of mind.

- **Situations Where Court Does Not Accept it as a Evidence:**

- Though a dying declaration is **entitled to great weight**, the **accused has no power of cross-examination**.

This is the reason the courts have always insisted that the **dying declaration be of such a nature as to inspire full confidence of the court in its correctness**.

- The courts are on guard to check **if the statement of the deceased was a result of either tutoring, prompting or a product of imagination**.

- **Need of Corroboration (Supporting Evidence):**
 - Several judgments have noted that it is neither rule of law nor of prudence that **dying declaration cannot be acted upon without corroboration.**
 - If the court is satisfied that the dying declaration is true and voluntary it can base **conviction on it, without corroboration.**
 - Where a dying declaration is **suspicious**, it should **not be acted upon without corroborative evidence** because a dying declaration does not contain the details as to the occurrence.
 - It is not to be rejected, equally merely because it is a brief statement. On the contrary, **the shortness of the statement itself guarantees truth.**
- **Validity of Medical Opinion:**
 - Normally the court, in order to satisfy whether the deceased was in a fit mental condition to make the dying declaration, can look up the **medical opinion.**
 - But where the **eye witness has said that the deceased was in a fit and conscious state** to make this dying declaration, the **medical opinion cannot prevail.**

Source: IE

Genome of Salt-secreting Mangrove Species Decoded

Why in News

Recently, the scientists for the first time have decoded the reference-grade whole genome sequence of a highly salt-tolerant and salt-secreting mangrove species, *Avicennia marina*.

This study was led by the Department of Biotechnology (DBT)-Institute of Life Sciences, Bhubaneswar.

Key Points

- **Avicennia Marina:**
 - It is **one of the most prominent mangroves species** found in all mangrove formations in India.
 - It is a **salt-secreting and extraordinarily salt-tolerant mangrove** species that grows optimally in 75% seawater and tolerates >250% seawater.
 - It is **among the rare plant species, which can excrete 40% of the salt** through the salt glands in the leaves, besides its extraordinary capacity to exclude salt entry to the roots.
 - It is also **referred to as grey mangrove or white mangrove.**

- **Significance of Study:**

- This study assumes significance as **agriculture productivity globally is affected due to abiotic stress factors** such as limited water availability and salinization of soil and water.
 - Availability of water is a significant challenge to crop production in dryland areas, accounting for 40% of the world's total land area.
 - Salinity is prevalent in 900 million hectares globally (with an estimated 6.73 million ha in India), and it is estimated to cause an annual loss of 27 billion USD.
- The genomic resources generated in the study **will pave the way for researchers to study the potential of the identified genes for developing drought and salinity tolerant varieties** of important crop species of the coastal region that is significant for India with 7,500m of coastline and two major island systems.

Mangrove

- **About:**

- A mangrove is **a small tree or shrub that grows along coastlines**, taking root in salty sediments, often underwater.
- The word 'mangrove' **may refer to the habitat as a whole or to the trees and shrubs** in the mangrove swamp.
- Mangroves are **flowering trees, belonging to the families** Rhizophoraceae, Acanthaceae, Lythraceae, Combretaceae, and Arecaceae.

- **Features of Mangroves:**

- **Saline environment:** They can survive under extreme hostile environments such as high salt and low oxygen conditions.
- **Low oxygen:** Underground tissue of any plant needs oxygen for respiration. But in a mangrove environment, the oxygen in soil is limited or nil. Hence the mangrove root system absorbs oxygen from the atmosphere.
 - Mangroves have special roots for this purpose called **breathing roots or pneumatophores**.
 - These roots have numerous pores through which oxygen enters the underground tissues.
- **Succulent leaves:** Mangroves, like desert plants, store fresh water in thick succulent leaves.

A waxy coating on the leaves seals in water and minimises evaporation.
- **Viviparous:** Their seeds germinate while still attached to the parent tree. Once germinated, the seedling grows into a propagule.

The mature propagule then drops into the water and gets transported to a different spot, eventually taking root in a solid ground.

- **Threat:**

- **Constructions:** At least one third of all mangrove forests has been lost during the last few decades. Coastal development, including construction of shrimp farms, hotels, and other structures, is the primary threat to mangroves.

Mangrove forests are cleared to make room for agricultural land and human settlements.

- **Overharvesting:** Mangrove trees are used for firewood, construction wood, charcoal production, and animal fodder.

In some parts of the world, there has been overharvesting which is no longer sustainable.

- **Others:** Overfishing, pollution, and rising sea levels are the other threats to mangrove forests and their ecosystem.

- **Area Covered:**

- **Global:** Mangroves can be found in over 118 countries and territories in the **tropical and subtropical regions** of the world.

- **Asia** has the **largest coverage of the world's mangroves**, followed by Africa, North and Central America, Oceania and South America.
- Approximately 75% of the world's mangrove forests are found in just 15 countries.

- **India:**

- According to the **State of Forest Report 2019**, mangrove cover in the country is 4,975 sq km, which is **0.15%** of the country's total geographical area.

Mangrove cover in the country **has increased by 54 sq km (1.10%)** as compared to the previous assessment (2017).

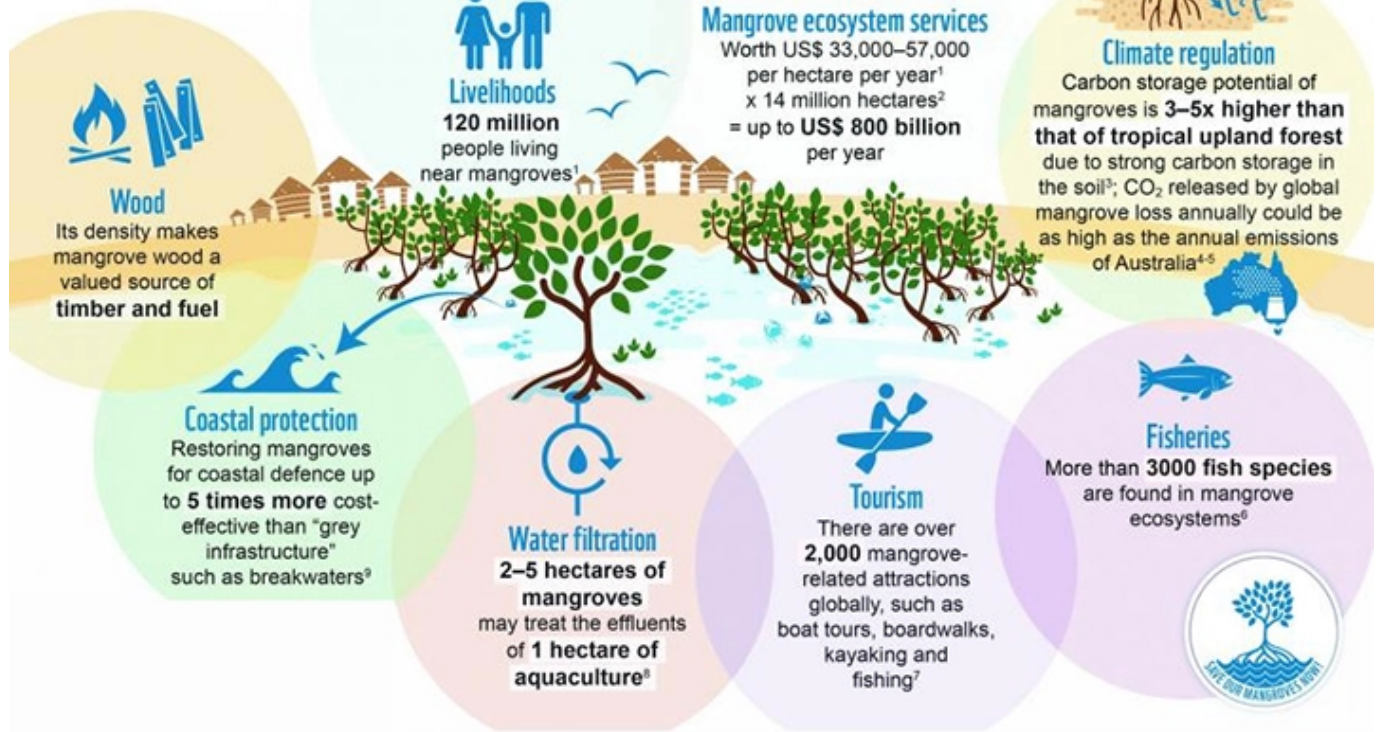
- The deltas of the **Ganges, Mahanadi, Krishna, Godavari**, and the **Cauvery** rivers contain mangrove forests.
- The **backwaters in Kerala** have a high density of mangrove forest.
- The **Sundarbans** in West Bengal is the largest mangrove region in the world and a **UNESCO World Heritage Site**.

It spans from the **Hooghly River** in West Bengal to the **Baleswar River** in Bangladesh.

- The **Bhitarkanika mangrove system** in Odisha is India's second largest mangrove forest.
- **Pichavaram in Tamil Nadu** has a vast expanse of water covered with mangrove forests. It is home to many aquatic bird species.
- **West Bengal** has **42.45%** of **India's mangrove cover**, followed by Gujarat 23.66% and A&N Islands 12.39%.

ECOSYSTEM SERVICES

The benefits people derive from mangroves



Source: [PIB](#)

Nord Stream 2 Pipeline

Why in News

Recently, the **US has approved the Germany-Russia Nord Stream 2 Pipeline (NS2P) project** - which significantly increases Europe’s energy dependence on Russia.

The **US had previously imposed sanctions** to prevent the completion of this gas pipeline between Russia and Germany.

Nord Stream pipelines from Russia



Key Points

- **About:**

- This is a 1,200-km pipeline that runs **from Ust-Luga in Russia to Greifswald in Germany through the Baltic Sea**. It will carry 55 billion cubic metres of gas per year.
- It was decided to build this pipeline in 2015.
- **Nord stream 1 system** is already completed and together with NS2P, it will supply 110 billion cubic metre of gas a year to Germany.

- **Implications:**

- **EU's Dependence on Russia:**

It will increase Europe's dependence on Russia for Natural Gas, currently EU (European Union) countries already rely on Russia for 40% of their gas needs.

- **Bypassing Ukraine:**

There is an existing pipeline between Russia and Europe through Ukraine, once the NS2P project is completed **it would bypass Ukraine and deprive it of a significant transit fee of around \$ 3 billion per year.**

- **Geopolitical win for Russia:**

It can be a **generational geopolitical win** for Russia and a catastrophe for the United States and its allies.

- **US' New Stand:**
 - **Softer Option to threaten Russia:**
 - The US has gone with the softer option of threatening Russia with consequences should it use the pipeline to harm Ukraine or other countries in eastern Europe.
 - On one hand, it wants **access to Russia's hydrocarbons**, but on the other **distrusts Russian President Vladimir Putin**, who it holds responsible for a series of affronts, such as the **Crimean conflict** of 2014 and the alleged interference in the US elections of 2016 and 2020.
 - **Germany's own Act against Russia:**

The US-Germany deal lays out that Germany by itself will put sanctions and limit Russian exports, if 'Russia attempts to use the energy as a weapon and commit further aggressive acts against Ukraine'.
 - **Green Fund for Ukraine:**
 - Germany has to "utilise all available leverage" to extend by 10 years the current Russia-Ukraine gas transit agreement.
 - **Germany also has to contribute at least \$175 million to a new \$1 billion "Green Fund for Ukraine"** that aims at improving the country's energy independence.

Source: IE

Subsidy Scheme to Boost Merchant Ships

Why in News

Recently, the Union Cabinet has approved a **scheme for providing subsidy support to Indian Shipping companies in global tenders** floated by Ministries and **Central Public Sector Enterprises (CPSEs)** for import of government cargo.

The scheme **provides a subsidy of Rs. 1,624 crore over five years.**

Key Points

- **Highlights of the Scheme:**
 - The scheme envisages an **increase in flagging** and would link access to Indian cargo to investment in Indian ships.
 - Flagging in is the **process of adding a vessel to the national registry** and "flagging out" is the process of removing a vessel from a national registry.
 - The subsidy support varies **from 5% to 15%** of the lowest quote offered by the foreign shipping company, depending on whether the ship was flagged after or before 1st February, 2021.
 - However, **ships older than 20 years will not be eligible under the scheme**, according to the Ministry of Ports, Shipping and Waterways.

- **Rationale of the Scheme:**

- **Small Size of Indian Shipping Industry:** Despite having a 7,500 km long coastline, a significant **national EXIM (Export-Import) trade**, a **policy of 100% FDI in shipping since 1997**, the Indian shipping industry and India's national fleet is proportionately small when compared with its global counterparts.

- Currently the Indian fleet comprises a meagre **1.2% of the world fleet in terms of capacity**.

- The share of Indian ships in the carriage of India's EXIM trade has drastically declined from 40.7% in 1987-88 to about 7.8% in 2018-19.

- **Offsetting Higher Operational Costs:** Currently, Indian shipping industry bears relatively higher operating costs, owing to factors like higher costs of debt funds, taxation on wages of Indian seafarers, IGST on import of ships, blocked GST tax credits, etc.

- In this context, these higher operational costs would be offset to a large extent through the subsidy support and it would be more attractive to flag merchant ships in India.

- **Increasing Foreign Exchange Outgo:** Owing to high operational costs, importing a shipping service by an Indian charterer is cheaper than contracting the services of a local shipping company.

- This has led to an increase in foreign exchange outgo on account of freight bill payments to foreign shipping companies.

- **Significance of the Scheme:**

- **Generating Employment:** Increase in Indian fleet will provide direct employment to Indian seafarers since Indian ships are required to employ only Indian seafarers.

- Further, cadets wishing to become seafarers are required to obtain on-board training on ships. Indian ships will therefore provide training slots for young Indian cadet boys and girls.

- **Strategic Advantages:** A policy to promote the growth of the Indian shipping industry is also necessary because having a bigger national fleet would provide economic, commercial, and strategic advantages to India.

- **Economic Advantages:** A strong and diverse indigenous shipping fleet will not only lead to foreign exchange savings but would also reduce excessive dependence on foreign ships for transporting India's critical cargoes.

- Thus, it would help in achieving the objective of Atmanirbhar Bharat and contribute to the Indian GDP.

Source: TH

RBI to Introduce Digital Currency

Why in News

The **Reserve Bank of India (RBI)** is working on a **phased implementation strategy** for its own **digital currency** and is in the process of launching it in **wholesale and retail segments in the near future**.

A **high-level inter-ministerial committee** set up by the Finance Ministry had recommended **Central Bank Digital Currency (CBDC)** with **changes in the legal framework including the RBI Act**, which currently empowers the RBI to regulate issuance of bank notes.

Key Points

- **Digital Currency:**
 - It is a **payment method** which exists **only in electronic form and is not tangible**.
 - It can be **transferred between entities or users with the help of technology** like computers, smartphones and the internet.
 - Although it is similar to physical currencies, digital money allows borderless transfer of ownership as well as instantaneous transactions.
 - Digital currency is also known as **digital money and cybercash**.
 - E.g. **Cryptocurrency**.

- **Need:**
 - **Addressing the Malpractices:**

The need for a sovereign digital currency arises from the **anarchic design of existing cryptocurrencies**, wherein their creation, as well as maintenance, are in the hands of the public.

 - With no government supervision and ease of cross-border payments, renders them vulnerable to malpractices like tax evasion, terror funding, **money laundering**, etc.
 - By regulating digital currency, the central bank can put a check on their malpractices.
 - **Addressing Volatility:**
 - As the **cryptocurrencies** are not pegged to any asset or currency, its value is solely determined by speculation (demand and supply).
 - Due to this, there has been huge volatility in the value of cryptocurrencies like bitcoin.

As CBDCs will be pegged to any assets (like gold or fiat currency) and hence will not witness the volatility being seen in cryptocurrencies.
 - **Digital Currency Proxy War:**

India runs the **risk of being caught up in the whirlwind of a proxy digital currency war** as the US and China battle it out to gain supremacy across other markets by introducing new-age financial products.

Today, a **sovereign Digital Rupee** isn't just a matter of financial innovation but a need to push back against the inevitable proxy war which threatens our national and financial security.
 - **Reducing Dependency on Dollar:**

Digital Rupee **provides an opportunity for India to establish the dominance of Digital Rupee as a superior currency** for trade with its strategic partners, thereby reducing dependency on the dollar.
 - **Advent of Private Currency:**

If these **private currencies gain recognition**, national currencies with limited convertibility are likely to come under some kind of threat.
- **Significance:**
 - It would **reduce the cost of currency management** while enabling **real-time payments without any inter-bank settlement**.
 - India's fairly high currency-to-GDP ratio holds out another benefit of Central Bank Digital Currency (CBDC) - to the extent large cash usage can be replaced by (CBDC), the **cost of printing, transporting and storing paper currency can be substantially reduced**.
 - It will also **minimize the damage to the public** from the usage of private virtual currencies.

- **Issues:**
 - Some key issues under RBI's examination include, the **scope of CBDCs, the underlying technology, the validation mechanism and distribution architecture.**
 - **Also, legal changes would be necessary** as the current provisions have been made keeping in mind currency in a physical form under the **Reserve Bank of India Act.**
 - Consequential amendments would also be required in the **Coinage Act, Foreign Exchange Management Act (FEMA) and Information Technology Act.**
 - **Sudden flight of money** from a bank under stress is another point of concern.
- **Recent Developments:**
 - **El Salvador**, a small coastal country in Central America, has become the **first in the world to adopt Bitcoin, as legal tender.**
 - **Britain** is also exploring the possibility of creating a Central Bank Digital Currency (Britcoin).
 - In 2020, **China started testing its official digital currency** which is unofficially called "Digital Currency Electronic Payment, DC/EP".
 - In **April 2018, RBI banned banks and other regulated entities from supporting crypto transactions** after digital currencies were used for frauds. In **March 2020**, the **Supreme Court struck down the ban** as unconstitutional.

Way Forward

- The creation of a Digital Rupee will provide an opportunity for India to empower its citizens and enable them to use it freely in our ever-expanding digital economy and break free from an outdated banking system.
- Looking into its impact on macroeconomy and liquidity, banking systems and money markets, it is imperative of policymakers to thoroughly consider the prospects of Digital Rupee in India.

Source: TH

UNESCO Delists Liverpool of Its World Heritage Status

Why in News

Recently, the city of Liverpool, England has been removed from **UNESCO's (United Nations Educational, Scientific and Cultural Organization)** list of world heritage sites.

Earlier six Indian places were added to the **tentative list of UNESCO's** world heritage sites.

Key Points



- **Liverpool:**

- The port city was **included in the prestigious list for its architectural beauty** and in recognition of its role as **one of the world's most important ports** during the **18th and 19th centuries**.
- It was **named a World Heritage Site in 2004**, joining cultural landmarks such as the Great Wall of China, the **Taj Mahal**, and the Leaning Tower of Pisa.

The city is only the **third place to be removed from the prestigious list**.

- **Reasons for Delisting:**

- The **new buildings including a football stadium** undermine the attractiveness of its Victorian docks and were destroying the **heritage value of its waterfront**.
- The over development would **irreversibly damage the heritage of the historic port**.

- **Other Delisted Sites:**

- **Wildlife sanctuary in Oman in 2007.**
Reason: poaching and habitat loss.
- **Dresden Elbe valley in Germany in 2009.**
Reason: A four-lane motorway bridge was built over the river.

World Heritage Site

- **About:**
 - A World Heritage Site is a place that is **listed by UNESCO for its special cultural or physical significance**. The list of World Heritage Sites is maintained by the international '**World Heritage Programme**', administered by the **UNESCO World Heritage Committee**.
 - It seeks **to encourage the identification, protection and preservation of cultural and natural heritage** around the world considered to be of outstanding value to humanity.
 - This is embodied in an **international treaty called the Convention concerning the Protection of the World Cultural and Natural Heritage**, adopted by UNESCO in **1972**.
 - It provides a **framework for international cooperation in preserving and protecting cultural treasures** and natural areas throughout the world.
- **Types:**
 - **Cultural heritage sites** include historic buildings and town sites, important archaeological sites, and works of monumental sculpture or painting.
 - **Natural heritage sites** are restricted to natural areas.
 - **Mixed heritage sites** contain elements of both natural and cultural significance
- **Sites in India:**
 - India has **38 world heritage sites**, including **30 cultural properties, 7 natural properties** and **1 mixed site**. The latest one included is **Jaipur city, Rajasthan**.

Source: TH

The Gaon Buras

Why in News

Recently, the **Assam Cabinet announced that Gaon Buras**, village-level functionaries of the district administration, **will be called 'Gaon Pradhans'**.

The government has reasoned that a number of young men (and women) become Gaon Buras, and thus, the word 'Bura' (meaning old in Assamese) is no longer appropriate.

Key Points

- **About:**
 - Gaon Buras are the **village headmen**. They are the eyes, nose, ear of the district administration at the village level.
 - There are **about 6,000 Gaon Buras in Assam**. **Women 'Gaon Buras' are not very common** and they take over, if their husbands die.

- **A brief History:**
 - It **belongs to the colonial era**, when the British appointed the oldest person in the village as the head, who would oversee matters relating to land and revenue in a particular area.
 - **Post-independence**, the government continued with the institution and **made the Gaon Bura a formal part of the Assam Revenue and Disaster Management department**, increasing his responsibilities, and eventually introducing a small honorarium for the role.
 - In **Arunachal Pradesh, too**, the Gaon Buras (and Buris) are the most important village-level functionaries.
 - **Duties:**
 - Maintaining a **population register of the village**, maintaining **land records**, **helping police investigate crime**, etc.
 - It **involves now maintaining a log of Covid-19 cases in the village**, organising vaccination camps, functioning as booth-level officers during elections etc.
 - To issue a '**Gaon Bura certificate**', a certificate that determines the permanent residency in a particular village.
 - It became crucial during the **National Register of Citizens (NRC)** for women to establish linkages with their husbands and parents.
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Source: IE