

WEEKLY NEWS

December 15-21, 2024

Credit Guarantee Scheme (CGS-NPF)



► More Details in Page 13

'Jalvahak' Scheme




► More Details in Page 07

HIGHLIGHTS

- MFN Clause in Tax Treaty
- Banking Regulation Act

www.vidyarthee.co.in

 @_vidyarthee_

 t.me/eduvidyarthee



Switzerland Suspends MFN Clause in Tax Treaty with India

● Why in News?

- ⇒ Switzerland announced the suspension of the Most Favoured Nation (MFN) clause in its **Double Taxation Avoidance Agreement (DTAA)** with India, effective January 1, 2025.
- ⇒ The decision follows the **2023 Supreme Court ruling**, which stated that the MFN clause in tax treaties does not automatically apply when a country joins the **OECD** if India signed the treaty before the country's accession.
- ⇒ The ruling also emphasized that DTAA's must be notified under the **Income-Tax Act, 1961**, to be enforceable.

● Key Features of India-Switzerland DTAA

- ⇒ Entered into force in **1994** to prevent double taxation on income.
- ⇒ Includes provisions for **withholding tax on dividends** and other incomes.

● Impact of MFN Suspension

- ⇒ **Higher Tax Liabilities for Indian Companies:** Withholding tax on dividends from Switzerland will rise from **5% to 10%**.
- ⇒ **Swiss Investments in India:** Swiss companies receiving dividends from Indian entities will continue to face a **10% withholding tax**.
- ⇒ **Global Re-evaluation of MFN Clauses:** Other countries may reconsider the application of MFN clauses in their own treaties with India.
- ⇒ **No Impact on Other DTAA Benefits:** Benefits apart from the MFN clause, including **European Free Trade Association (EFTA)** investments, remain unaffected.

● About Most Favoured Nation (MFN) Clause

- ⇒ **Definition:** MFN requires that any favorable trade terms extended to one member of an agreement are granted to all members.
- ⇒ **Purpose:** Ensures equality and prevents discrimination in **international trade**.
- ⇒ **Relevance in Global Agreements:**
 - Included under **General Agreement on Trade in Services (GATS)** (Article 2).
 - Also prioritized in **Trade-Related Aspects of Intellectual Property Rights (TRIPS)** (Article 4).



● **Way Forward**

- ➡ **Bilateral Negotiations:** India and Switzerland may revisit the tax treaty to address the implications of MFN suspension.
- ➡ **Global Strategy:** India must consider a consistent approach to MFN clauses in tax treaties to maintain international trade and investment attractiveness.
- ➡ **Tax Policy Reforms:** Strengthen tax treaty frameworks to balance **domestic interests and global commitments.**



RBI Increases Limit for Collateral-Free Agricultural Loans

● Why in News?

- ➡ **Reserve Bank of India (RBI)** raised the limit for collateral-free agricultural loans from ₹1.6 lakh to ₹2 lakh per borrower.
- ➡ The move aims to improve financial access for farmers and promote sustainable agricultural practices.
- ➡ Revised guidelines to be implemented from **January 1, 2025**.

● Key Directives to Banks

- ➡ **Enhanced Loan Limit:** Increase in collateral-free loan ceiling to ₹2 lakh, covering agriculture and allied activities.
- ➡ **Timely Implementation:** Ensure compliance with revised guidelines starting January 2025.
- ➡ **Awareness Campaigns:** Conduct outreach programs to inform farmers and stakeholders about the changes.

● Significance of Enhanced Limit

- ➡ **Improved Credit Access:** Greater access to formal financial resources for small and marginal farmers, who constitute over **86% of the sector**.
- ➡ **Simplified Loan Process:** Encourages the uptake of **Kisan Credit Card (KCC)** loans, streamlining disbursement.
- ➡ **Financial Inclusion:** Boosts rural credit flow, aligning with long-term goals for sustainable agriculture and economic growth.

● Key Issues in Agricultural Credit Disbursement

- ➡ **Short-Term Focus:** Predominance of crop loans over long-term development financing.
- ➡ **Fiscal Strain:** Increased burden due to frequent **loan waivers**.
- ➡ **Dependence on Informal Credit:** Farmers continue to rely on non-institutional sources for funding.

● **Other Initiatives to Boost Agricultural Credit**

- ➡ **Co-operative Credit Societies:** Promotion of **Primary Agricultural Credit Societies (PACS)** to enhance access at the grassroots level.
- ➡ **Kisan Credit Card (KCC):** Ensures timely and adequate funding for agricultural operations.
- ➡ **Modified Interest Subvention Scheme:** Provides concessional short-term loans for agriculture and allied activities.

● **Way Forward**

- ➡ **Enhanced Loan Outreach:** Expand access to institutional credit for all farmers, especially in underserved regions.
- ➡ **Focus on Long-Term Loans:** Shift emphasis from short-term crop loans to developmental financing.
- ➡ **Monitoring and Implementation:** Ensure efficient delivery and transparency in agricultural credit schemes.
- ➡ **Capacity Building:** Strengthen co-operative credit institutions and improve farmer awareness about formal credit options.



Moldova Joins International Solar Alliance (ISA)

● Why in News?

- ➡ Moldova signed the **International Solar Alliance (ISA) Framework Agreement (FA)**.
With the 2020 amendment, all UN member states are now eligible to join ISA.

● About International Solar Alliance (ISA)

- ➡ **Headquarters:** Gurugram, India.
- ➡ **Genesis:** Conceptualized during **COP21, Paris 2015**, as a collaborative effort by India and France.
- ➡ **Mission:** Guided by the "Towards 1000" strategy aiming to:
 - Mobilize **USD 1,000 billion** in solar energy investments by 2030.
 - Provide energy access to **1,000 million people**.
 - Install **1,000 GW of solar energy capacity**.
- ➡ **Membership:**
 - 104 member countries.
 - 16 signatory countries.

● Governance and Structure

- ➡ **ISA Assembly:** Apex decision-making body. Oversees the implementation of the Framework Agreement.

● Significance of ISA

- ➡ Promotes **solar-based cooling technologies** for sustainable use in agriculture.
- ➡ Aims to mitigate **1,000 million tonnes of CO2** annually.
- ➡ Positions India as a leader in clean energy, enhancing **energy security** and contributing to India's **net-zero target by 2070**.
- ➡ Facilitates a global solar energy market with **cost-effective, large-scale solar deployments**.

● **Key ISA Initiatives**

- ➡ **Scaling Solar Applications for Agricultural Use (SSAAU):** Addresses growing demand for solar water pumps.
- ➡ **ISA CARES:** Provides innovative solar energy solutions for health systems in low- and middle-income countries.
- ➡ **Solarizing Heating and Cooling Systems:** Supports solar-based heating and cooling for commercial, industrial, and residential sectors in member countries.
- ➡ **Global Solar Facility:** Launched at **COP27** to encourage solar investments in underserved regions, particularly in Africa.

● **Way Forward**

- ➡ Expand member participation to achieve universal solar energy access.
- ➡ Strengthen global collaborations to drive large-scale solar adoption.
- ➡ Enhance funding mechanisms for solar innovations in agriculture, health, and energy sectors.



'Jalvahak' Scheme to Boost Inland Waterways

● Why in News?

- ➔ The Union Government unveiled the '**Jalvahak**' Scheme to promote sustainable and cost-effective transportation via inland waterways.
- ➔ The initiative aims to incentivize businesses to use inland waterways for safe and timely cargo delivery.

● Key Features of the Jalvahak Scheme

➔ Implementing Ministry and Agencies

Ministry: Union Ministry of Ports, Shipping & Waterways.

Implementing Bodies: Inland Waterways Authority of India (IWA) and Inland & Coastal Shipping Ltd (ICSL), a subsidiary of the Shipping Corporation of India.

➔ Objective and Scope

Incentivizing Modal Shift: Aims to shift **800 Million Tonnes KMs** of cargo with a total investment of ₹95.4 crores.

Time Frame: The scheme is valid for an initial period of **three years**.

Geographical Coverage:

NW-1: **Kolkata - Patna - Varanasi - Patna - Kolkata** stretch.

NW-2: **Kolkata to Pandu (Guwahati)** stretch.

NW-16: Indo-Bangladesh Protocol Route (IBPR).

➔ Incentives

Offers **reimbursement up to 35%** of the total operating expenditure incurred during cargo transport.

Applicable for cargo transported over **300 km or more**.

➔ Fixed Day Sailing Service

Scheduled operations to ensure reliability and efficiency.

● **Significance**

- ➡ **Cost Reduction:** Reduces logistics costs for businesses.
- ➡ **Decongestion:** Alleviates pressure on roadways and railways.
- ➡ **Environmental Impact:** Encourages a sustainable and eco-friendly mode of transport.

● **Inland Waterways in India**

➡ **National Waterways (NWs)**

Declared NWs: 111 waterways recognized under the **National Waterways Act, 2016**.

Prominent NWs:

NW-1: **Haldia to Allahabad** (Ganga-Bhagirathi-Hooghly River System).

NW-2: **Dhubri to Sadiya** (Brahmaputra River).

NW-16: **Barak River**.

➡ **Institutional Framework**

IWAI: Established under the **IWAI Act, 1985**, the Inland Waterways Authority of India oversees the regulation and development of national waterways.

● **Way Forward**

- ➡ **Awareness Programs:** Educate businesses about the benefits and incentives under the scheme.
- ➡ **Infrastructure Development:** Enhance facilities at key waterway terminals.
- ➡ **Policy Expansion:** Include more National Waterways and extend the scheme's duration if successful.
- ➡ **International Collaboration:** Leverage the Indo-Bangladesh Protocol Route to boost cross-border trade.



Uniform Civil Code (UCC)

● Why in News?

- ➔ The Prime Minister emphasized the need for a "secular civil code," aligning with the views of the Constituent Assembly, to replace diverse personal laws based on religion.

● What is UCC?

- ➔ **Definition:** A common set of personal laws governing marriage, divorce, inheritance, adoption, etc., for all citizens, irrespective of religion.

- ➔ **Constitutional Provision:**

Article 44 (DPSP): Mandates the State to work towards implementing UCC across India.

Existing Models:

Uttarakhand became the first state to enforce UCC (2024).

Goa follows similar provisions under the Portuguese Civil Code, 1867.

● Need for UCC

- ➔ **National Unity:** Strengthens national integrity by replacing religious-based personal laws.
- ➔ **Social Reform:** Eliminates discriminatory practices against women in personal laws.
- ➔ **Legal Uniformity:** Similar to uniform criminal laws applicable to all citizens.

● Challenges in Implementation

- ➔ **Constitutional Safeguards: 5th and 6th Schedules:** Protect tribal and scheduled areas' customary practices.
- ➔ **Religious Concerns:** Resistance due to fears of eroding religious freedom and traditions.

● Judicial and Constitutional Support

- ➔ **Judicial Observations:**

Shah Bano Case (1985) and **Sarla Mudgal Case (1995):** Supreme Court advocated for UCC to resolve inconsistencies in personal laws.

- ➔ **Constituent Assembly Debates:**

K.M. Munshi: UCC upholds secularism.

Alladi Krishnaswami Aiyar: Promotes harmony among communities.

- ➔ **Dr. B.R. Ambedkar:** Advocated for gradual implementation, respecting community sentiments.



● **Way Forward**

- ➡ **Reconciliation of Interests:** Balance constitutional principles with cultural diversity.
- ➡ **Broad-based Consensus:** Engage all stakeholders to ensure inclusive reforms.
- ➡ **Phased Implementation:** Begin with gender-just laws, expanding towards comprehensive UCC.



Waste to Worth: Managing Urban Water Crisis through Wastewater Reuse

● ***Why in News?***

- ➔ **Release of Report:** The "Waste to Worth: Managing India's Urban Water Crisis through Wastewater Reuse" report was jointly released by the **Centre for Science and Environment (CSE) and National Mission for Clean Ganga (NMCG)**.
- ➔ **Focus:** Highlights the importance of wastewater treatment for achieving water circularity and sustainability in India.

● ***Key Highlights of the Report***

- ➔ **Declining Freshwater Availability:** India's annual per capita freshwater availability is now below 1,700 cubic metres.
- ➔ **Untreated Wastewater:** **72%** of India's wastewater flows untreated into rivers, lakes, and other water bodies.
- ➔ **Potential for a Circular Economy:** **20%** of groundwater blocks are critical or overexploited. **55%** of households lack proper drainage systems.

● ***Challenges in Wastewater Treatment***

- ➔ **Low Operational Efficiency of STPs:** Operational capacity: **26,000 million litres per day**. Installed capacity: **31,000 million litres per day**.
- ➔ **Other Challenges:** Mixing of different wastewater types. Lack of adequate sewage networks. Poor prioritization of wastewater management.

● ***Recommendations***

- ➔ **Governance Reforms:** Implement district/city-level policies supported by bye-laws. Example: **Karnataka ULBs** coordinate with Wastewater Reuse Resource Centres.
 - 1. Equity and Justice:** Prioritize water reuse for underprivileged areas, especially informal settlements.
 - 2. Decentralized STPs:** Implement STPs based on local topography, such as **Bangalore's zonal system**.



● **Policy Initiatives for Wastewater Management**

- ⇒ **Swachh Bharat Mission (SBM) 2.0:** Recommends reusing treated wastewater.
- ⇒ **Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0:** Mandates cities with populations over 0.01 million to recycle water.
- ⇒ **National Framework on Safe Reuse of Treated Wastewater:** Introduced by NMCG for standardized reuse practices.

● **Way Forward**

- ⇒ **Strengthen policies** for wastewater treatment and reuse.
- ⇒ **Promote decentralized solutions** tailored to urban topography.
- ⇒ **Ensure equitable access to water reuse** for all socioeconomic groups.
- ⇒ **Enhance public awareness and community participation** in water management.



Credit Guarantee Scheme for e-NWR Pledge Financing (CGS-NPF)

● Why in News?

- ➡ The Ministry of Consumer Affairs, Food & Public Distribution has launched the **Credit Guarantee Scheme for e-NWR Pledge Financing (CGS-NPF)**.
- ➡ **Objective:** To provide loans to farmers against electronic Negotiable Warehouse Receipts (e-NWRs) for post-harvest financing.

● About e-NWRs

- ➡ **Definition:** A digital version of traditional warehouse receipts governed by the **Warehousing (Development and Regulation) Act, 2007**.
- ➡ **Features:** Facilitates transfer or sale of goods deposited in registered warehouses. Since 2019, issuance of **NWRs is mandatory in electronic form**.

● Key Features of CGS-NPF

- ➡ **Ministry:** Ministry of Consumer Affairs, Food & Public Distribution.
- ➡ **Corpus:** ₹1,000 crore dedicated to post-harvest financing.
- ➡ **Loan Coverage:**
 - Up to ₹75 lakh for **agricultural purposes**.
 - Up to ₹200 lakh for **non-agricultural purposes**.
- ➡ **Eligible Institutions:** Scheduled banks and cooperative banks.
- ➡ **Eligible Borrowers:**
 - Small and marginal farmers, women, SC/ST/PwD farmers.
 - MSMEs, traders, Farmer Producer Organizations (FPOs), and farmer cooperatives.
- ➡ **Risks Covered:** Both **credit risks** and **warehouseman risks**.
- ➡ **Guarantee Coverage:**
 - 85%** for loans up to ₹3 lakh for small and marginal farmers/women/SC/ST/PwD.
 - 80%** for loans between ₹3 lakh and ₹75 lakh for the same groups.
 - 75%** for other borrowers.

● **Significance of the Scheme**

- ➡ **Minimizing Distress Selling:** Provides timely access to finances for farmers, preventing forced sales.
- ➡ **Boosts Confidence in Banking Sector:** Mitigates risks for lenders by covering credit and warehouseman defaults.

● **About Warehousing Development and Regulatory Authority (WDRA)**

- ➡ **Establishment:** Statutory body under the **Warehousing (Development and Regulation) Act, 2007**.
- ➡ **Objective:** Introduces the **NWR system**, allowing farmers to store produce in nearby, and scientifically managed warehouses.
- ➡ **Functions:**
 - Regulates warehouses.
 - Promotes scientific storage practices.
 - Enhances supply chain efficiency.

● **Way Forward**

- ➡ **Strengthen awareness campaigns** about e-NWRs among farmers and financial institutions.
- ➡ Encourage the establishment of **more WDRA-accredited warehouses**.
- ➡ Develop robust mechanisms for **effective monitoring and risk mitigation**.



Supreme Court Expands NIA's Investigative Powers

● Why in News?

- ➡ The Supreme Court has ruled that the **National Investigation Agency (NIA)** can investigate non-scheduled offences if they are connected to a scheduled offence under the **NIA Act, 2008**.

● About NIA Act, 2008

- ➡ **Purpose:** Defines categories of scheduled offences that NIA is authorized to investigate.
- ➡ **Scheduled Offences Include:**
 - Atomic Energy Act, 1962
 - Anti-Hijacking Act, 1982
 - SAARC Convention (Suppression of Terrorism) Act, 1993
 - Unlawful Activities (Prevention) Act, 1967 (UAPA)

● About NIA

- ➡ **Establishment:** Created under the NIA Act, 2008, post the **26/11 Mumbai attacks**.
- ➡ **Headquarters:** New Delhi, with zonal offices in Guwahati and Jammu.
- ➡ **Mandate:**
 - Investigate offences affecting India's sovereignty, security, and integrity.
 - Address crimes impacting friendly relations with foreign States.
 - Handle offences listed in the schedule to the NIA Act.

● Steps to Strengthen NIA

- ➡ **NIA Amendment Act, 2019:** Broadened the NIA's jurisdiction to include offences like Human trafficking, Manufacture or sale of prohibited arms, Cyber-terrorism. Extended its jurisdiction beyond India.
- ➡ **Designation as Nodal Agency:** Central agency for probing **Terror Funding** and **Fake Indian Currency Notes (FICN)**.
- ➡ **National Terror Data Fusion & Analysis Centre (NTDFAC):** Established for Big Data Analytics to enhance investigative capabilities.



● **Way Forward**

- ⇒ **Strengthen legal frameworks** to ensure robust investigative processes.
- ⇒ **Expand technical and manpower capabilities** of NIA to handle increasing complexity of cases.
- ⇒ **Enhance coordination between NIA and State Police** for efficient resolution of interconnected offences.



One Nation, One Election Bills

● Why in News?

➡ Two Bills introduced in Lok Sabha to implement simultaneous elections:

Constitution (129th Amendment) Bill, 2024.

Union Territories Laws (Amendment) Bill, 2024.

● Key Provisions of Constitution (129th Amendment) Bill, 2024

➡ Insertion of Article 82A:

Simultaneous Elections: Mandates the Election Commission to conduct simultaneous elections for the Lok Sabha and all State Legislative Assemblies (SLAs).

Term of Legislative Assemblies: The term of all SLAs will align with the Lok Sabha's full term.

➡ Amendment to Article 83:

Definitions Introduced:

Unexpired Term: Period between the dissolution of the Lok Sabha and its full five-year term.

Mid-term Election: Conducted when the Lok Sabha is dissolved before completing its five-year term, and the new Lok Sabha will serve only the unexpired term.

➡ Amendment to Article 172:

Defines Unexpired Term and Full Term for SLAs, aligning them with the Lok Sabha's term.

● Key Provisions of Union Territories Laws (Amendment) Bill, 2024

➡ Proposes amendments to the following acts:

Union Territories Act, 1963.

National Capital Territory of Delhi Act, 1991.

Jammu and Kashmir Reorganization Act, 2019.

➡ **Objective:** Aligns the term of UT Legislative Assemblies with simultaneous elections for the Lok Sabha and State Assemblies.

● **Significance of Simultaneous Elections**

- ➡ **Increase in Voter Turnout:** Frequent elections lead to "voter fatigue," which simultaneous polls aim to reduce.
- ➡ **Stable Policy and Growth:** Avoids policy paralysis caused by frequent imposition of the **Model Code of Conduct**.
- ➡ **Efficient Service Delivery:** Minimizes disruption in governance caused by the deployment of government officials and security forces for elections.

● **Way Forward**

- ➡ **Legal and Administrative Framework:** Ensure robust mechanisms for constitutional amendments and alignment of electoral processes.
- ➡ **Infrastructure Readiness:** Develop adequate capacity in the Election Commission and logistic support for simultaneous polls.
- ➡ **Stakeholder Engagement:** Build consensus among political parties and states for smooth implementation.

● **Conclusion**

- ➡ The introduction of these Bills marks a significant step toward streamlining India's electoral process, ensuring efficiency, and enhancing voter participation while addressing concerns about frequent elections disrupting governance and development.

IEA's 'Coal 2024: Analysis and Forecast to 2027' Report

● Why in News?

- ➔ The **International Energy Agency (IEA)** has published the report '**Coal 2024: Analysis and Forecast to 2027**', analyzing trends and forecasts for coal demand, supply, and trade globally.

● Key Highlights

➔ Trajectory of Coal Usage

Global Coal Demand:

Declining in advanced economies.

Increasing in emerging economies like **India, China, and Indonesia**.

India: Expected to see the largest demand growth due to rising power needs linked to economic expansion.

Coal Production Trends:

Expected to reach an all-time high in **2024** and flatten through **2027**.

India:

Largest contributor to global coal production growth.

Achieved a 10% increase in production in 2023, exceeding **1 billion tonnes**.

Production growth projected at 8% for 2024.

➔ Reasons for Persistent Coal Usage

Rising Demand: Driven by power, industrial growth, and infrastructure development to support economic goals.

Weather-Related Fluctuations: Coal provides a stable and reliable power source when renewable generation fluctuates.

Electrification of Services: Expanding electrification in mobility, industrial heat, data centers, and AI.

Profitability of Coal Exports: Surged post-COVID-19 and during the **2022 energy crisis**.



● **India's Initiatives for Coal Optimization**

- ➡ **Promotion of Renewable Energy:** Programs like **PM KUSUM** and **PM Surya Ghar Muft Bijli Yojana**.
- ➡ **Streamlining Mine Approvals:** **Mine Opening Permission Module** to accelerate coal mine approvals.
- ➡ **Reducing Emissions from Thermal Power Plants:** Adoption of techniques such as:
 - Flue Gas Desulphurization (FGD).**
 - Electro Static Precipitator (ESP).**

● **Way Forward**

- ➡ **Transition to Renewable Energy:** Accelerate renewable energy adoption to reduce reliance on coal.
- ➡ **Technology Integration:** Enhance coal efficiency with advanced carbon capture and storage (CCS) technologies.
- ➡ **Global Collaboration:** Foster international partnerships for coal usage reduction and renewable energy development.
- ➡ **Policy Strengthening:** Ensure robust policies to balance economic growth and environmental sustainability.

Tackling Space Debris: India-Japan Collaboration

● Why in News?

- ⇒ Tokyo-based Orbital Lasers and Indian robotics firm InspeCity have partnered to explore laser-equipped satellite solutions for addressing space debris.
- ⇒ The collaboration focuses on services like de-orbiting defunct satellites and extending spacecraft lifespans.

● What is Space Debris?

- ⇒ **Definition:** Non-functional, artificial objects, including fragments in Earth's orbit or re-entering the atmosphere.
- ⇒ **Current Scenario:** Of 35,150 tracked objects, only 25% are operational satellites. (Source: United Nations University)

● Concerns Related to Space Debris

- ⇒ **Threat to Space Exploration:** Collisions with debris can damage spacecraft, optics, and solar panels. Example: A 10-cm object collision could fragment a satellite catastrophically.
- ⇒ **Kessler Syndrome:** Cascading collisions causing uncontrolled debris growth.
- ⇒ **Risk to Earth:** Uncontrolled reentry of large debris poses a threat to populations on the ground.

● Initiatives to Tackle Space Debris

⇒ Global Initiatives

RemoveDEBRIS Mission: Demonstrates active debris removal (ADR) technology.

LignoSat: Satellite made from magnolia wood to minimize debris risks.

UN Conventions:

Liability Convention (1972): Holds nations accountable for damage caused by space objects.

Registration Convention (1976): Mandates registering launched space objects.



● **Initiatives to Tackle Space Debris**

⇒ **India's Initiatives**

Project NETRA: Tracks and analyzes space objects.

2030 Goal: Achieve debris-free space missions.

● **Way Forward**

⇒ **Spacecraft Passivation:** Minimize on-orbit breakups.

⇒ **Disposal Strategies:** Adopt effective end-of-life mission disposal measures.

⇒ **Innovation in Technology:** Deploy laser systems like Orbital Lasers to vaporize and neutralize space debris.



ILO Global Estimates on International Migrants in the Labour Force

● **Why in News?**

- ➡ The **International Labour Organization (ILO)** released the 4th edition of its Global Estimates on International Migrants in the Labour Force.

● **Key Findings**

- ➡ **Global Migrant Numbers:** International migrants reached **284.5 million globally**. **255.7 million** belong to the working-age population (aged 15 and over).
- ➡ **Gender Distribution:**
 - Women: **38.7%** of the migrant labor force.
 - Men: **61.3%** of the migrant labor force.
- ➡ **Labour Force Share:** Migrants constituted **4.7%** of the global labor force in 2022.
- ➡ **Unemployment:** Higher rates among international migrants compared to non-migrants.

● **Understanding International Migrants**

- ➡ Defined as individuals residing in a country other than their country of birth, including refugees and asylum seekers.
- ➡ Significant contributors to **economic growth**.
- ➡ **Remittances:** Increased from **USD 128 billion (2000)** to **USD 831 billion (2022)** (World Migration Report 2024).

● **Key Challenges Faced by International Migrants**

- ➡ **Economic Discrimination:** Migrants earn 25% less than local workers.
- ➡ **Conflict Zones:** Impacted by conflicts like the **Ukraine-Russia war** and **Middle-East crises**.
- ➡ **Healthcare and Social Protection:** Limited access, as witnessed during **COVID-19**.
- ➡ **Xenophobia:** Hostility towards migrants in destination countries.



● **Key Initiatives for International Migrants**

- ➡ **International Organization for Migration (IOM):** Established in 1951, leading intergovernmental agency for migration.
- ➡ **ILO Initiatives:** Advocates for migrant worker rights and fair labor migration practices. Promotes conventions ensuring dignity and equity.
- ➡ **UN Conventions and Agreements:**
 - 1990: International Convention on the Protection of Migrant Workers' Rights.
 - 2018: Global Compact for Safe, Orderly, and Regular Migration—first intergovernmental framework addressing migration comprehensively.

● **Way Forward**

- ➡ **Policy Reforms:** Enhance global coordination to ensure fair treatment and equity for migrants.
- ➡ **Promote Inclusion:** Address xenophobia and ensure access to healthcare and social protection.
- ➡ **Strengthen Frameworks:** Implement international conventions and migration compacts effectively.
- ➡ **Empower Migrants:** Focus on skill-building and equitable economic opportunities.



Nano-Plastics and Antibiotic Resistance: A Growing Concern

● **Why in News?**

- ⇒ A recent study highlights the role of nanoplastics, particularly those derived from single-use plastic bottles (SUPBs), in spreading antibiotic resistance (AR).

● **Key Findings of the Study**

- ⇒ **Coexistence with Microorganisms:** Nanoplastics are present alongside microorganisms in various environments, including the human gut.

- ⇒ **Impact on Gut Microbiota:**

Polyethylene Terephthalate Bottle-derived Nanoplastics (PBNPs): Enable cross-species gene transfer from *E. coli* to *Lactobacillus acidophilus*, a beneficial gut bacterium.

Mechanism of Gene Transfer:

Horizontal Gene Transfer (HGT): Movement of genetic material between organisms, excluding parent-to-offspring transfer.

Two Pathways of AR Gene Transfer:

Direct Transformation Pathway: PBNPs physically carry AR plasmids across bacterial membranes.

Outer Membrane Vesicle (OMV)-Induced Transfer Pathway: PBNPs cause oxidative stress, damaging bacterial surfaces. Increased OMV secretion facilitates gene transfer.

● **About Nanoplastics**

- ⇒ **Definition:** Solid particles of synthetic or modified natural polymers, size ranging from 1 nm to 1000 nm.

- ⇒ **Sources:**

Primary Sources: Cosmetics, paints, drugs, electronics.

Secondary Sources: Breakdown of microplastics.

- ⇒ **Impacts:**

Easily penetrate cells and tissues.

Found in human blood, liver, lung cells, and reproductive tissues.

● **Concerns**

- ➡ **Antibiotic Resistance:** Accelerated by nanoplastics, posing risks to human and animal health.
- ➡ **Environmental Impact:** Widespread contamination in ecosystems.

● **Way Forward**

- ➡ **Reducing Plastic Use:** Shift from single-use plastics to sustainable alternatives.
- ➡ **Regulating Nanoplastic Emissions:** Introduce policies to monitor and limit nanoplastic release.
- ➡ **Further Research:** Study mechanisms of AR transfer to develop mitigation strategies.

● **Significance**

- ➡ Understanding nanoplastics' role in AR spread is crucial for tackling public health challenges and ensuring environmental safety.



Banking Regulation Act, 1949: 75 Years of Legacy

● Why in News?

- ➔ **Milestone Achievement:** The Banking Regulation Act, 1949, marks its 75th anniversary in 2024.
- ➔ **Objective:** Enacted to regulate and supervise the banking sector, ensuring its operational integrity and safeguarding depositor interests in India.
- ➔ **Historical Context:** Before independence, banks were regulated by the Companies Act (1850) and the RBI Act (1934).

● Achievements of the Act

- ➔ **Inclusion and Outreach:** Facilitated financial inclusion through initiatives like **Priority Sector Lending**, channeling credit to agriculture and small industries.
- ➔ **Stabilization of the Banking Sector:** Ensured sector stability during economic crises. Regulatory measures like **capital adequacy requirements** and **liquidity coverage ratios** shielded Indian banks during events like the **2008 global financial crisis**.
- ➔ **Building Public Trust:** Enhanced depositor confidence through robust regulatory oversight and protection mechanisms.
- ➔ **Prompt Corrective Action (PCA) Framework:** Enables early identification of financial distress. Mandates timely corrective measures for banks under stress.
- ➔ **Adaptation to Modern Challenges:** Supported the evolution of digital banking, financial inclusion, and global financial standards. E.g., Introduction of **Payment Banks (2014)** and **Small Finance Banks (2016)**.

● Key Provisions

- ➔ **Licensing and Operations:** Mandatory RBI licensing for banks. Rules governing branch openings and closures.
- ➔ **Management Oversight:** RBI's control over board composition, appointments, and management practices.
- ➔ **Ensuring Financial Stability:** Requirements for maintaining cash reserves, liquid assets, and restrictions on dividend payouts.
- ➔ **Public Disclosure:** Promotes transparency through mandatory audits and public disclosure of financial statements.



● **Way Forward**

- ➡ **Strengthen Financial Inclusion:** Expand the Act's scope to address underserved regions and communities.
- ➡ **Adapt to Digital Revolution:** Update provisions for digital banking and cybersecurity threats.
- ➡ **Resilience Against Global Challenges:** Enhance regulatory measures to tackle global financial uncertainties.
- ➡ **Promote Green Financing:** Encourage sustainable banking practices under regulatory guidance.
- ➡ This Act remains a cornerstone of India's banking framework, evolving with the times while upholding financial stability and public trust.






www.vidyarthee.co.in



WEEKLY NEWS

Scan the QR for Digital Edition

 @_vidyarthee_

 t.me/eduvidyarthee