

News Analysis (18 May, 2021)

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Farzad-B Gas Field: Iran

Why in News

Recently, Iran gave the **Farzad-B Gas Field** to Petropars, a domestic gas producer.

This is a setback for India's energy ties with Iran as ONGC Videsh Ltd (OVL) had discovered the gas field in 2008 and has been part of the ongoing cooperation on that front.

Farzad-B Gas Field:

• It is located in **Persian Gulf** (Iran).



- The contract for exploration of the field was signed in 2002 by Indian consortium comprising ONGC Videsh, Indian Oil Corporation and Oil India.
- The contract expired in 2009 after declaration of commerciality of the field, based on the gas discovery.
 - It has gas reserves of more than 19 trillion cubic feet.
 - ONGC has invested approximately USD 100 million.
- Since then, the consortium has been trying to secure the contract for development of the field.
 - The major dispute between India and Iran was over setting up of two pipelines, and also over money to be quoted on the development plan.
 - Around 75% of the deal was finalised by May 2018, when the US
 unilaterally withdrew from the <u>nuclear deal</u> and announced sanctions on
 Iran.
- In January 2020, India was informed that in the immediate future, Iran would develop the field on its own and would like to involve India appropriately at a later stage.

• Other Recent Developments:

- Indian merchants have almost entirely stopped signing new export contracts with Iranian buyers due to caution about <u>Iran's falling rupee reserves with Indian</u> banks.
- Iran in 2020 dropped India's USD 2-billion offer and decided to build the Chabahar railway link (<u>Chabahar-Zahedan Railway Line</u>) on its own.

Concerns for India:

- Growing Influence of China:
 - In April 2021, China and Iran signed a <u>25-year "strategic cooperation</u> <u>pact"</u> which includes political, economic and strategic components.
 China is also concluding a <u>security and military partnership with Iran.</u>
 - The China Iran strategic partnership may be an impediment for Indian entry routes into Afghanistan through Chabahar and further connectivity to International North South Transportation Corridor (INSTC), although Iran has not given any signals of disruption of these projects.

Further, Iran seems to be sceptical of India's diplomatic ties with the US.

- India's Energy Security:
 - India has stopped purchasing Iranian oil, which accounts for around 90% of its imports from the Islamic nation.

India was Iran's leading oil client after China until mid-2018.

India needs gas and Iran remains one of the best options as geographically,
 Iran is closest to India of all the countries in the Persian gulf region.

Further, the Farzad-B Gas Field could have improved India-Iran ties as the crude oil import from Iran remains impacted due to the US sanctions.

India's Role in the Region:

Maintaining ties with Iran even as it forges a new relationship with Saudi Arabia and Israel is **critical for India's balancing policy in West Asia**.

- Connectivity to Central Asia:
 - Chabahar is not only a key to maritime relations between both the countries, but also provides an opportunity to India to reach Russia and Central Asia.
 - Further, it allows India to bypass Pakistan which had blocked Indian aid to Afghanistan and all trade over land.
- Peaceful Afghanistan:
 - India, having made <u>significant investments in Afghanistan</u>, will always hope for an Afghan elected, Afghan led, Afghan owned peace and reconciliation process and a popular democratic government in Afghanistan.
 - However, India has to be watchful of Iran Pakistan- China axis developing in the neighbourhood of Afghanistan, with tentacles in the form of terror groups inside it.

Way Forward

 India is very reliant upon Middle East oil and gas and must maintain cordial relations with most of the major suppliers, including Iran, UAE, Qatar, and Saudi Arabia, as well as Iraq.

- India needs to play a balancing act between the US and Iran.
- In a world where connectivity is seen as the new currency, **India's loss on account of these projects can become gain for some other country**, especially China.

Source:TH

Independent Collegium for Election Commission

Why in News

Recently, a petition was filed in the <u>Supreme Court (SC)</u> seeking the <u>constitution of an independent collegium to appoint members of the <u>Election Commission</u>.</u>

Election Commission of India

About:

- It is an autonomous constitutional authority responsible for administering
 Union and State election processes in India.
- The body administers elections to the Lok Sabha, Rajya Sabha, State
 Legislative Assemblies, and the offices of the President and Vice President in the country.
- Article 324 of the Constitution: It provides for appointment of a Election commission to superintend, direct and control the elections.

Structure :

- Originally the commission had only one election commissioner but after the Election Commissioner Amendment Act 1989, it has been made a multimember body.
- The commission presently consists of one <u>Chief Election Commissioner</u>
 (CEC) and two <u>Election Commissioners</u> (ECs).
- The secretariat of the commission is located in New Delhi.

- Present System of Appointment:
 - There is no prescribed procedure for appointment of the CEC and EC as per the Constitution.
 - Under the Transaction of Business rules 1961, the President shall appoint the
 CEC and EC based on the recommendations made by the Prime Minister.

Therefore, it is the **executive power of the President** to appoint CEC and ECs.

 However, according to <u>Article 324(5)</u>, the Parliament has the power to regulate the terms of conditions of service and tenure of ECs.

Election Commission (Conditions of Service of Election Commissioners and Transaction of Business) Act, 1991 was passed to determine the conditions of service of the CEC and other ECs and to provide for the procedure for transaction of business by the ECI.

 It is under Article 324(5) that the Parliament has made laws till date, and not under Article 324(2) in which the Parliament can establish a selection committee for regulating the appointments made by the President.

Article 324(2) states that the President shall, with aid and advice of the Council of Ministers, appoint CEC and ECs, till Parliament enacts a law fixing the criteria for selection, conditions of service and tenure.

• Need for an Independent Collegium:

Recommendation of Committees:

- The recommendation to have a neutral collegium to fill up vacancies in the Election Commission have been given by several expert committees, commissions from 1975.
- The recommendation was also part of the <u>Law Commission's 255th report</u> in March 2015.
- In **2009**, the <u>Second Administrative Reforms Commission</u> in its fourth report suggested a collegium system for CEC and ECs.
- In **1990**, the **Dinesh Goswami Committee** recommended effective consultation with neutral authorities like the Chief Justice of India and the Leader of the Opposition for the appointment in the Election Commission.
- In 1975, the Justice Tarkunde Committee recommended that the members of the Election Commission should be appointed by the President on the advice of a Committee consisting of the Prime Minister, the Leader of the Opposition in the Lok Sabha and the Chief Justice of India.

Insulation from Political and Executive Interference:

The appointment of members of the Election Commission on the whims and fancies of the Executive **violates the very foundation on which it was created,** thus, making the Commission a branch of the Executive.

Unfair Election Process:

- The Election Commission is not only responsible for conducting free and fair elections, but it also renders a quasi judicial function between the various political parties including the ruling government and other parties.
- In such circumstances, the Executive cannot be the sole participant in the appointment of members of the Election Commission as it gives unfettered discretion to the ruling party to choose someone whose loyalty to it is ensured and thereby renders the selection process vulnerable to manipulation.

Challenges:

Similar Demand for Others:

- For other constitutional positions, similar demands can be raised where it is the imperative of the executive to make such appointments like for <u>Attorney General</u> or <u>Comptroller & Auditor-General</u>.
- For the appointment of <u>Central Bureau of Investigation (CBI)</u> director and the <u>Central Vigilance Commissioner</u>, committees are constituted. But these are statutory positions. As of now, there is no committee for constitutional appointments.

Distinction between CEC & EC:

- There is a difference between the position of a CEC & EC. The appointments to both the positions may differ according to the task they perform.
- Therefore, to differentiate the process of appointment which is still done on an ad-hoc basis (because of absence of any constitutional law) becomes a challenging task that needs to be addressed properly to ensure the independent working of the commission.

Judicial Overreach:

- The SC interprets any law on the basis of provisions of the constitution, and constitutionally the decision for appointment procedure of EC comes under executive domain.
- Thereby, decisions by the SC in this regard can possibly shake the harmonious balance of power.

Way Forward

- Deficiencies in the present system of appointment process needs to be removed. And adequate safeguards must be put into place to ensure that ethical and capable people head the concerned positions.
- There is a need for debate and discussions in the Parliament on the issue of independence of ECI and consequently passing of required legislation.

Source:TH

Covid leaves Orphaned Children Vulnerable to Trafficking

Why in News

As India battles a raging **second wave**, cases of children losing their parents to **Covid-19** are also mounting.

Further, the apprehension of **child trafficking** in the garb of adoption has increased.

About:

- Various social media posts are getting circulated with details of children who have lost either both their parents or the only living parent to the disease and pleading for them to be adopted.
- Sharing such posts are illegal under Section 80 and 81 of the <u>Juvenile Justice</u> (<u>JJ) Act, 2015</u>, which prohibit offering or receiving children outside the processes laid down under the Act as well as their sale and purchase.

Such acts are punishable with three to five years in jail or Rs. 1 lakh in fine.

<u>Child Marriages</u> have also increased in the Covid-19 induced lockdown.

• Provisions for Protection of Orphan Children:

- There is a process as per the JJ Act which needs to be followed with children who have been orphaned.
- If someone has information about a child in need of care, then they must contact one of the four agencies: Childline 1098, or the district Child Welfare
 Committee (CWC), District Child Protection Officer (DCPO) or the helpline of the State Commission for Protection of Child Rights.
- Following this, the CWC will assess the child and place him or her in the immediate care of a Specialised Adoption Agency.

The State thus takes care of all such children who are in need of care and protection, till they turn 18 years.

 Once a child is declared legally free for adoption by the CWC, adoption can be done either by Indian prospective adoptive parents or non-resident Indians or foreigners, in that order.

India has ratified Hague Convention on Intercountry Adoptions, 1993.

• The <u>Central Adoption Resource Authority (CARA)</u>, a statutory body of the Ministry of Women and Child Development, is the nodal agency for adoption.

It regulates the adoption of orphaned, abandoned and surrendered children through its associated or recognised agencies.

• Recent Initiative (SAMVEDNA):

With an objective of providing psychological and emotional support to children affected during Covid-19 Pandemic, National Commission for Protection of Child Rights (NCPCR) is providing Tele-Counselling to children through SAMVEDNA (Sensitizing Action on Mental Health Vulnerability through Emotional Development and Necessary Acceptance).

• Child Trafficking in India:

- Data Analysis:
 - National Crime Records Bureau (NCRB) 2018 report highlights that 51% of all trafficking victims were children, of which more than 80% were girls.
 - The most affected state presently is West Bengal followed by Chhattisgarh, Jharkhand and Assam.
 - The trafficking of children for forced labour, for all kinds of domestic work and trafficking of women for sexual exploitation is the heaviest in these areas.

Constitutional Protection:

- Article 21: The Supreme Court has held that the right to live is not merely a
 physical right but includes within its ambit the right to live with human
 dignity.
- Article 23: Prohibition of traffic in human beings and forced labour.
- Article 24: No child below the age of fourteen years shall be employed to work in any factory or mine or engaged in any other hazardous employment.
- Article 39: It provides certain principles of policy to be followed by the State towards securing:
 - (e) that the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength;
 - (f) that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity and that childhood and youth are protected against exploitation and against moral and material abandonment.
- Article 45: Duty of state to provide early childhood care, 0-6 age group
 Legal Protection:
 - The Immoral Traffic (Prevention) Act, 1986 (ITPA).
 - Bonded Labour System (Abolition) Act 1976, Child Labour (Prohibition and Abolition) Act 1986, and Juvenile Justice Act.
 - Sections 366 (A) and 372 of the Indian Penal Code.
 - The Factories Act, 1948.

Other Initiatives Taken:

- India has ratified the United Nations Convention on Transnational Organised Crime (UNCTOC) which among others has a Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children (Palermo protocols).
- India has ratified the <u>South Asian Association for Regional Cooperation</u>
 (<u>SAARC</u>) Convention on Preventing and Combating Trafficking in Women and Children for Prostitution.
- The <u>National Commission for Protection of Child Rights (NCPCR)</u> was set up in 2007 under the Commission for Protection of Child Rights Act, 2005.

India has ratified the <u>UN Convention on the Rights of the Child</u> (UNCRC).

Way Forward

- Children are an important national asset, and the well-being of the nation, and its future, depend on how its children grow and develop. The primary purpose of giving a child in adoption is his welfare and restoring his or her right to family.
- Article 39 of the Constitution prohibits the tender age of the children from being abused. Therefore, orphaned children who have lost both their parents or abandoned or surrendered due to the Covid-19 pandemic must not be neglected and left to face an uncertain future. They must be taken care of by the authorities entrusted with responsibilities under the JJ Act.

Source: TH

Legislative Council

Why in News

Recently, the **West Bengal** government has decided to set up a **Legislative Council** (Vidhan Parishad).

For setting up the Council, a Bill has to be introduced in the Assembly and then a nod from the Governor is required. The Legislative Council in the State was abolished in 1969.

Basis of Formation:

- India has a **bicameral system** of legislature.
- Just as Parliament has two Houses, the states can also have a Legislative Council in addition to the Legislative Assembly through Article 169 of the Constitution.
- Six States having a Legislative Council: Andhra Pradesh, Telangana, Uttar Pradesh, Bihar, Maharashtra, Karnataka.
 - In 2020, Andhra Pradesh Legislative Assembly passed the resolution for abolition of the Legislative Council. This resolution is yet to be cleared by the Parliament of India to finally abolish the council.
 - In 2019, the Jammu & Kashmir Legislative Council was abolished through the J&K Reorganisation Bill, 2019, which reduced the State of J&K to the <u>Union</u> Territories of J&K and Ladakh.

• Article 169 (Creation and Abolition):

- The Parliament can abolish a Legislative Council (where it already exists) or create it (where it does not exist) by a simple majority, that is, a majority of the members of each House present and voting, if the legislative assembly of the concerned state, by a special majority, passes a resolution to that effect.
- Special majority implies
 - A majority of the total membership of the assembly and
 - A majority of not less than two-thirds of the members of the assembly present and voting.

Composition:

- Under Article 171 of the Constitution, the Legislative Council of a state shall not have more than one-third of the total strength of the State Assembly, and not less than 40 members.
- Like the Rajya Sabha, the legislative council is a continuing chamber, that is, it
 is a permanent body and is not subject to dissolution. The tenure of a
 Member of the Legislative Council (MLC) is six years, with one-third of the
 members retiring every two years.

Manner of Election:

- o One-third of the MLCs are elected by the state's MLAs,
- Another 1/3rd by a special electorate comprising sitting members of local governments such as municipalities and district boards,
- 1/12th by an electorate of teachers and another 1/12th by registered graduates.
- The remaining members are appointed by the Governor for distinguished services in various fields namely, literature, science, art, cooperative movement and social service.

LC vis-à-vis Rajya Sabha:

- The legislative power of the Councils are limited. Unlike Rajya Sabha which
 has substantial powers to shape non-financial legislation, Legislative Councils
 lack a constitutional mandate to do so.
- Assemblies can override suggestions/amendments made to legislation by the Council.
- Again, unlike Rajya Sabha MPs, MLCs cannot vote in elections for the President and Vice President. The Vice President is the Rajya Sabha Chairperson while a member from the Council itself is chosen as the Council Chairperson.

Role of Legislative Council:

- It can ensure individuals who might not be cut out for the elections are able to contribute to the legislative process (like artists, scientists, etc).
- It can keep an eye on hasty decisions taken by the Legislative Assembly.

Arguments Against Legislative Council:

- It can delay legislation, also it is considered a burden on the state budget.
- It can also be used to park leaders who have not been able to win an election.

Source: TH

Proposal for Gold Exchange

Why in News

The <u>Securities and Exchange Board of India (SEBI)</u> has proposed a framework for setting up a spot gold exchange.

- The **spot exchange** is where financial instruments, such as commodities, currencies, and securities, are traded for immediate delivery.
- **SEBI** is a **statutory body** established in April, 1992 in accordance with the provisions of the Securities and Exchange Board of India Act, 1992.

ON THE TABLE

- Sebi issues discussion paper for discovering one national gold price
- The regulator is open to multiple spot exchanges
- Quantity tradable on the proposed exchange can be as low as 5-10 gms
- Physical market to co-exist,

- **but traders** will be incentivised on electronic exchange
- Setting up vault companies to prevent frauds also part of the proposal
- Gold will be traded in form of electronic gold receipts before converting back to physical metal on delivery

- Framework of Gold Exchange:
 - In the first tranche, an entity desirous of delivering gold, locally manufactured or imported, on the exchange platform would have to approach a SEBI regulated vault manager and deposit physical gold meeting quality and quantity parameters with it.
 - Against this, the vault manager will issue an EGR (Electronic Gold Receipt),
 which will be tradeable on the exchanges, in the second tranche.
 - A beneficial owner will surrender the EGR to a vault manager and take delivery of the gold in the third tranche.
 - A common interface will be developed between vault managers, depositories, clearing corporations and stock exchanges to enable seamless execution of the three tranches.
 - The proposed denominations reflecting underlying physical gold of EGRs are 1 kilogram, 100 gram, 50 gram and subject to conditions, those can also be even for 5 and 10 gram.
 - <u>STT (Security Transaction Tax)</u> will be levied on trading of the EGR and <u>IGST</u> (<u>Integrated Goods and Services Tax)</u> at the time of delivery.
- Other Issues Raised by SEBI:
 - This includes **fungibility and interoperability** between vault managers.
 - **Fungibility** means gold deposited under, say, EGR 1 can be delivered against surrender of EGR 2 meeting the same contract specifications.
 - Interoperability means gold deposited at one location and with one vault manager can be withdrawn from a different location of the same or different vault manager, subject to availability of the physical gold. This will reduce the cost for buyers.

- Reason for Creating Separate Exchange for Gold:
 - To create a vibrant gold ecosystem in India which is commensurate with its large share of global gold consumption.
 - India (after China) is the second largest consumer of gold globally, with annual gold demand of approximately 800-900 tonnes, and holds an important position in the global markets.
 - The objective behind setting up gold exchanges is for India to become a price setter rather than a price taker and to establish an India good delivery standard, akin to London Bullion Market Association (LBMA) accredited gold bars.
 - Setting up a new stock spot gold exchange has advantages such as single good delivery standard, reduced market fragmentation, improved liquidity, and single reference price.

Source: TH

Cyclone Tauktae

Why in News

Recently, Cyclone Tauktae made landfall in Gujarat.

The cyclone has left a trail of destruction as it swept through the coastal states of **Kerala**, **Karnataka**, **Goa and Maharashtra**.

About:

Named by:

- It is a tropical cyclone, named by Myanmar. It means 'gecko', a highly vocal lizard, in the Burmese language.
- Typically, tropical cyclones in the North Indian Ocean region (Bay of Bengal and Arabian Sea) develop during the pre-monsoon (April to June) and post-monsoon (October to December) periods.

May-June and October-November are known to produce cyclones of severe intensity that affect the Indian coasts.

Classification:

- It has weakened into a "very severe cyclonic storm" from the "extremely severe cyclonic storm".
- The India Meteorological Department (IMD) classifies cyclones on the basis of the maximum sustained surface wind speed (MSW) they generate.
- The cyclones are classified as severe (MSW of 48-63 knots), very severe (MSW of 64-89 knots), extremely severe (MSW of 90-119 knots) and super cyclonic storm (MSW of 120 knots or more). One knot is equal to 1.8 kmph (kilometers per hour).

Developed in Arabian Sea:

- Tauktae is the **fourth cyclone in consecutive years** to have developed **in the Arabian Sea**, that too **in the pre-monsoon period (April to June)**.
- After Cyclone Mekanu in 2018, which struck Oman, <u>Cyclone Vayu</u> in 2019 struck Gujarat, followed by <u>Cyclone Nisarga</u> in 2020 that struck Maharashtra.
- All these cyclones since 2018 have been categorised either 'Severe Cyclone' or above.

• Arabian Sea becoming Hotbed of Cyclones:

- Annually, five cyclones on average form in the Bay of Bengal and the Arabian Sea combined. Of these, four develop in the Bay of Bengal, which is warmer than the Arabian Sea.
- In 2018, while the Bay of Bengal maintained its average of four cyclones a year, the Arabian Sea produced three cyclonic storms. In 2019, the Arabian Sea overtook the Bay of Bengal with five cyclones to three.
- In 2020, the Bay of Bengal produced three cyclonic storms while the Arabian Sea generated two.
- In recent years, meteorologists have observed that the Arabian Sea, too, has been warming. This is a phenomenon associated with global warming.
- It has been observed that the sea surface temperature in the Arabian Sea has been rising for about 40 years. The increase in temperature is in the zone of 1.2-1.4 degree Celsius.

• Tropical Cyclone:

- A tropical cyclone is an intense circular storm that originates over warm tropical oceans and is characterized by low atmospheric pressure, high winds, and heavy rain.
- A characteristic feature of tropical cyclones is the eye, a central region of clear skies, warm temperatures, and low atmospheric pressure.
- Storms of this type are called hurricanes in the North Atlantic and eastern
 Pacific and typhoons in SouthEast Asia and China. They are called tropical
 cyclones in the southwest Pacific and Indian Ocean region and Willy-willies
 in north-western Australia.
- Storms rotate counterclockwise in the northern hemisphere and clockwise in the southern hemisphere.
- The **conditions favourable** for the **formation and intensification** of tropical storms are:
 - Large sea surface with temperature higher than 27° C.
 - Presence of the Coriolis force.
 - Small variations in the vertical wind speed.
 - A pre-existing weak low- pressure area or low-level-cyclonic circulation.
 - **Upper divergence** above the sea level system.

Naming of Tropical Cyclones:

- According to WMO (<u>World Meteorological Organization</u>) guidelines, countries in every region are supposed to give names for cyclones.
- The North Indian Ocean Region covers tropical cyclones formed over Bay of Bengal and Arabian Sea.
- The 13 members, which come under the region, are Bangladesh, India,
 Maldives, Myanmar, Oman, Pakistan, Sri Lanka, Thailand, Iran, Qatar, Saudi Arabia, the UAE and Yemen.
- India Meteorological Department (IMD), one of the six Regional Specialised
 Meteorological Centres (RSMC) in the world, is mandated to issue advisories
 and name tropical cyclones in the north Indian Ocean Region.

It is an agency of the Ministry of Earth Sciences.

Source: IE