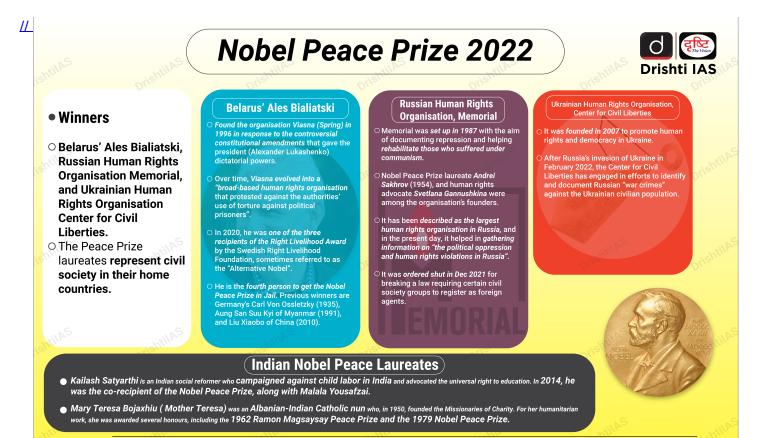


# **Nobel Peace Prize 2022**



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# **Post-Facto Environmental Clearances**

For Prelims: Environment Impact Assessment, Environmental Clearances.

For Mains: Post-Facto Environmental Clearances and Related Concerns.

# Why in News?

Recently, the Supreme Court has concluded that ex post facto (after being started) **Environmental Clearances (EC)** are acceptable.

 The court has concluded in response to a claim that a bio-medical treatment facility was set up and run without an EC and it raises concern over Environmental Degradation.

# What is an Ex Post Facto Environment Clearance?

- Ex post facto environmental clearance refers to allowing functioning of an industry or project which has started operating without obtaining the green clearance and disclosing the probable environmental impacts of the project.
- A bench of SC observed that the <u>Environment (Protection) Act, 1986</u>, did not absolutely prohibit the grant of **ex post facto environmental clearance**.
  - It should not be granted routinely, **but in exceptional circumstances** taking into account all relevant environmental factors.

# What are the Related Concerns?

- A post facto assessment defeats the very purpose of <u>Environment Impact Assessment</u> (EIA) because irreversible ecological damage will already have been committed with the commencement of operations.
  - The Food and Agriculture Organisation (FAO) of the United Nations defines the purpose of EIA as alerting decision makers, regulatory agencies and the public of environmental consequences of projects "so that those projects can be modified, if need be, to prevent environmental deterioration, to avoid construction errors and to forestall economic losses caused by negative side effects.
- The industries are encouraged to commence operations without bothering for clearance and eventually get regularised by paying the penalty amount. It is likely to open a floodgate of violations and give rise to a situation where damage to the environment is irreversible.

# What is the Environment Impact Assessment?

- It can be defined as the study for predicting the effect of a proposed activity/project on the environment.
- It is statutory **under the** <u>Environment Protection Act, 1986</u> for some projects.
- Process:
  - **Screening** based upon scales of investment, type of development, and location of the development is done to see whether a project requires an environmental clearance as per the statutory notifications.
  - **Scoping** is a process of detailing the Terms of Reference (ToR) of EIA, that is the main issues or problems in the development of a project.
  - **Impact Prediction** involves mapping the environmental consequences of the significant aspects of the project and its alternatives.
- The public mandatorily needs to be informed and consulted on the proposed development after the completion of the EIA report.

# What is the Environment Clearance Process?

- An EIA report is prepared to get Environment Clearance (EC) for a project.
- A process of 'Public Hearing' is conducted before the issue of 'Consent to Establish (NOC)' by state regulators. Concerns of people living in the proposed project area are heard.
- An application form with EIA report, details of public hearing and NOC is submitted for environmental clearance with the Ministry of Environment and Forests and Climate Change (MoEFCC) if the project falls under Project A category or the state government if the project falls under Project B category.
  - **Category A projects** require **mandatory environmental clearance** and thus they do not undergo the screening process.
  - **Category B** projects **undergo a screening process** and they are classified into two types.
    - Category B1 projects (Mandatorily requires EIA).
    - Category B2 projects (Do not require EIA).
- The documents submitted are then analyzed by an **Expert Appraisal Committee (EAC) under the Ministry.** The recommendations of the Committee get processed in the MoEFCC for final approval or rejection.

# **UPSC Civil Services Examination Previous Year Question (PYQ)**

# <u>Prelims</u>

### Q. Consider the following statements: (2019)

#### The Environment Protection Act, 1986 empowers the Government of India to

- 1. state the requirement of public participation in the process of environmental protection, and the procedure and manner in which it is sought
- 2. lay down the standards for emission or discharge of environmental pollutants from various sources

#### Which of the statements given above is/are correct?

(a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2

Ans: (b)

### <u>Mains</u>

**Q1.** Environmental Impact Assessment studies are increasingly undertaken before a project is cleared by the Government. Discuss the environmental impacts of coal-fired thermal plants located at coal pitheads. **(2014)** 

**Q2.** How does the draft Environment Impact Assessment (EIA) Notification, 2020 differ from the existing EIA Notification, 2006? **(2020)** 

### Source: DTE

# Joint Comprehensive Plan of Action (JCPOA)

**For Prelims:** Joint Comprehensive Plan of Action (JCPOA), International Atomic Energy Agency (IAEA), Chabahar Port, International North-South Transit Corridor (INSTC), Countering America's Adversaries Through Sanctions Act (CAATSA).

**For Mains:** Groupings & Agreements Involving India and/or Affecting India's Interests, JCPOA and its Significance.

## Why in News?

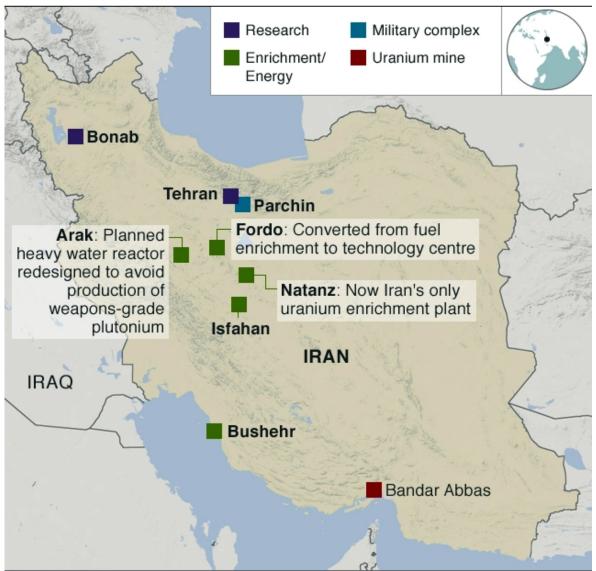
Recently, the **US imposed sanctions against** a Mumbai based petrochemical company, **Tibalaji Petrochem Pvt Ltd**. as it was accused of selling Iranian petroleum products.

 It is the first Indian entity to face the US designation under unilateral sanctions passed in 2018-19, after the US walked out of the <u>Joint Comprehensive Plan of Action (JCPOA)</u>.

# What was the Joint Comprehensive Plan of Action (JCPOA)?

- The deal is also known as 2015 Iran Nuclear Deal.
- The JCPOA was the result of prolonged negotiations from 2013 and 2015 between Iran and P5+1 (China, France, Russia, the United Kingdom, the United States + Germany).
- Under the deal, Iran agreed to significantly cut its stores of centrifuges, enriched uranium and heavy-water, all key components for nuclear weapons.
- Iran also agreed to implement a protocol that would allow inspectors from the International Atomic Energy Agency (IAEA) to access its nuclear sites to ensure Iran would not be able to develop nuclear weapons in secret.
- While the West agreed to lift sanctions related to Iran's nuclear proliferation, other sanctions addressing alleged abuses of human rights and Iran's ballistic missile programme remained in place.
- The US committed to lifting sanctions on oil exports, but continued to restrict financial transactions, which have deterred international trade with Iran.
- Nonetheless, Iran's economy, after suffering years of recessions, currency depreciation, and inflation, stabilized significantly after the deal took effect, and its exports skyrocketed.
- After US abandoned the deal in 2018 and reinstated banking and oil sanctions, Iran ramped up its nuclear programme in earnest, returning to approximately 97% of its pre-2015 nuclear capabilities.

# Changes agreed under Iran deal to limit nuclear programme



# What Happened After the US Pulled Out of the Deal?

- In April 2020, the US announced its intention to snap back sanctions. However, the other partners objected to the move, stating that since the US was no longer part of the deal, it could not unilaterally reimpose sanctions.
- Initially following the withdrawal, several countries continued to import Iranian oil under waivers granted by the Trump administration. A year later, the US ended the waivers to much international criticism and, by doing so, significantly curbed Iran's oil exports.
- The other powers, in an attempt to keep the deal alive, launched a barter system known as Instrument in Support of Trade Excahanges (INSTEX) to facilitate transactions with Iran outside the US banking system. However, INSTEX only covered food and medicine, which were already exempt from US sanctions.
- In January 2020, after the US assassinated the top Iranian general Qasem Soleimani, Iran announced that it would no longer limit its uranium enrichment.
- In September 2022, Iran and International Atomic Energy Agency officials held a round of talks to discuss the possibility of Iran's agreement to reallow inspectors back to Iran for oversight over reactors.
  - **The U.S. and Iran have also exchanged their stands indirectly** via the European Union for a "final draft" on rejoining the JCPOA.

# What is the significance of JCPOA for India?

#### Enhance Regional Connectivity:

- Removing sanctions may revive **India's interest in the** <u>Chabahar port</u>, Bandar Abbas port, and other plans for regional connectivity.
- This would **further help India to neutralize the Chinese presence in Gwadar port,** Pakistan.
- Apart from Chabahar, **India's interest in the** <u>International North-South Transit Corridor</u> (<u>INSTC</u>), which runs through Iran, and will improve connectivity with five Central Asian republics, may also get a boost.
- Energy Security:
  - Due to the pressure linked to the **US** <u>Countering America's Adversaries Through Sanctions</u> Act (CAATSA), India has to bring down oil imports to zero.
  - Restoration of ties between the US and Iran will help India to procure cheap Iranian oil and aid in energy security.

# **UPSC Civil Services Examination Previous Year Question (PYQ)**

#### Q. Which of the following is not a member of 'Gulf Cooperation Council'? (2016)

- (a) Iran
- (b) Saudi Arabia
- **(c)** Oman
- (d) Kuwait

#### Ans: (a)

Exp:

- The Gulf Cooperation Council (GCC) is an alliance of 6 countries in the Arabian Peninsula Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. Iran is not a member of the GCC.
- It was established in 1981 to promote economic, security, cultural and social cooperation between the members and holds a summit every year to discuss cooperation and regional affairs.
   Therefore, option A is the correct answer.

### Source: TH

# **Tokenisation of Cards in India**

**For Prelims:** Reserve Bank of India (RBI), Tokenisation, Sensitive Data, Card-on-File system, Digital Payments.

For Mains: Significance of Tokenisation.

### Why in News?

Recently, the **Reserve Bank of India (RBI)** has made tokenisation mandatory for all credit and debit

cards used in online, point-of-sale, and in-app transactions.

• The customer will not be charged for availing the tokenisation service.

# What is Tokenisation?

It refers to the replacement of actual card details with a unique alternate code called the 'token', which shall be unique for a combination of card, token requester (i.e., the entity which accepts requests from the customer for tokenisation of a card and passes it on to the card network to issue a corresponding token) and the device.

# What was the Need for Tokenisation?

- Vulnerability of Sensitive Data: E-commerce giants like Amazon, Myntra, Flipkart, Bigbasket, etc., save sensitive card details with them like card number, expiration date, and CVV get stored in these companies' databases.
  - But if the databases get hacked, it poses a real problem as all the card data will become easily accessible.
- Rise of Digital Fraud: The <u>COVID-19</u> pandemic has pushed drastic changes into the digital economy. With more and more customers and merchants adapting to <u>digital payments</u>, it is now more important than ever to tighten security.
  - With an average of 6 billion transactions happening every month, fraud could also grow proportionally if not taken care of.
  - This fraud can be a huge threat to the entire country's financial system. From 2019 to 2020, card fraud has increased by 14% Compounded Annual Growth Rate (CAGR), while in the last three years, it has increased by 34%.
- Outdated Present System: The current Card-on-File system (CoF) can be easily breached, and the data can be stolen. So, to take care of the security concerns, RBI has come up with the Tokenization system, which guarantees that the customers' details cannot be breached and cannot be misused by anybody.
  - A CoF transaction is a transaction where a cardholder has authorised a merchant to store the cardholder's Mastercard or Visa payment details.

# Who can Offer Tokenisation Services?

- Authorised Card Networks: Tokenisation can be performed only by the authorised card network and recovery of the original Primary Account Number (PAN) should be feasible for the authorised card network only.
  - Further, adequate safeguards have to be put in place to **ensure that PAN and other sensitive data cannot be found from the token and vice versa,** by anyone except the card network. RBI has emphasised that the integrity of the token generation process has to be ensured at all times.

# What are the Benefits of Tokenisation?

- A tokenised card transaction is considered safer as the actual card details are not shared with the merchant during transaction processing. Real card data, tokens and other relevant information are stored securely by the authorised card networks.
  - The token requestor cannot store Primary Account Number (PAN), or any other card details. Card networks are also mandated to get the token requester certified for safety and security that conforms to international best practices/globally accepted standards.
- Tokenization paves the way for advanced innovations in the payment ecosystem. It has become the cornerstone for payments, whether in-store, online or through mobile wallets.
- Strengthens trust between customers and businesses.
- Reduces the level of red tape for businesses.
- Creates an ecosystem of smoother and safer payment experiences for all parties involved.

# What is the Status of Card Payments in India?

- As per RBI's annual report for 2021-22, payment transactions carried out through credit cards increased by 27% to 223.99 crores in volume terms and 54.3% to 9.72 lakh in value terms during 2021-22.
- Till July (2022), the number of credit cards issued stood at around 8 crores, and debit cards in the system were 92.81 crores.

# UPSC Civil Services Examination Previous Year Question (PYQ)

# <u>Prelims</u>

#### Q. Consider the following statements: (2019)

# The Reserve Bank of India's recent directives relating to 'Storage of Payment System Data, popularly known as data diktat, command the payment system providers that

- 1. they shall ensure that entire data relating to payment systems operated by them are stored in a system only in India
- 2. they shall ensure that the systems are owned and operated by public sector enterprises
- 3. they shall submit the consolidated system audit report to the Comptroller and Auditor General of India by the end of the calendar year.

#### Which of the statements given above is/are correct?

(a) 1 only
(b) 1 and 2 only
(c) 3 only
(d) 1, 2 and 3

#### Ans: (a)

#### Exp:

- In order to have unfettered access to all payment data for supervisory purposes, the Reserve Bank of India had directed that all the system providers shall ensure that the entire data relating to payment systems operated are stored in a system only in India. This data includes the full end-to-end transaction details/ information collected/carried/processed as part of the message/payment instruction. Hence, statement 1 is correct.
- No provision regarding the ownership and operation of the systems by public sector enterprises has been provided. **Hence, statement 2 is not correct.**
- RBI had also directed payment system providers to submit the System Audit Report (SAR) with an audit mandatorily conducted by CERT-IN empanelled auditors. Hence, statement 3 is not correct. Therefore, option (a) is the correct answer.

#### Source: IE

# **Parliament Committees**

For Prelims: Parliament Committees, Article 105, Article 118, Speaker, Rajya Sabha, Lok Sabha

For Mains: Parliament Committees and its Significance

# Why in News?

Recently, reorganization of 22 Standing Committees took place.

# What are Committees of Parliament?

- About:
  - A Parliamentary Committee is a panel of MPs that is **appointed or elected by the House or nominated by the Speaker/Chairman.**
  - The committee works under the **direction of the Speaker/chairman** and it presents its report to the House or to the Speaker/chairman.
  - Parliamentary Committees have their origins in the British Parliament.
  - They draw their authority from Article 105 and Article 118.
    - Article 105 deals with the privileges of MPs.
      - Article 118 gives Parliament authority to make rules to regulate its procedure and conduct of business.
- Need:
  - A Bill is introduced in either House of Parliament to begin legislative business but the process of lawmaking is often complex, and Parliament has limited time for detailed discussions.
  - Also, the **political polarisation and shrinking middle ground** has been leading to increasingly rancorous and inconclusive debates in Parliament.
    - Due to these issues, a great deal of legislative business ends up taking place in the Parliamentary Committees instead.

# What are the Various Committees of Parliament?

- India's Parliament has multiple types of committees. They can be differentiated on the basis of their work, their membership and the length of their tenure.
- However, broadly there are two types of Parliamentary Committees
   - Standing Committees
   and Ad Hoc Committees.
  - The Standing Committees are permanent (constituted every year or periodically) and work on a continuous basis.
    - Standing Committees can be classified into the following six categories:
      - Financial Committees
      - Departmental Standing Committees
      - Committees to Enquire
      - Committees to Scrutinise and Control
      - Committees Relating to the Day-to-Day Business of the House
      - House-Keeping Committees or Service Committees
  - While the Ad Hoc Committees are temporary and cease to exist on completion of the task assigned to them.
    - They are further subdivided into Inquiry Committees and Advisory Committees.
    - The principal Ad hoc Committees are the Select and Joint Committees on Bills.

# What is the Significance of Parliamentary Committees?

- Provides Legislative Expertise:
  - Most MPs are not subject matter experts on the topics being discussed they are generalists who understand the pulse of the people but rely on advice from experts and stakeholders before making decisions.
    - **Parliamentary committees are meant to help MPs seek expertise** and give them time to think about issues in detail.
- Acting as a Mini-Parliament:
  - These committees act as a mini-parliament, as they have **MPs representing different**

**parties are elected into them** through a system of the single transferable vote, in roughly the same proportion as their strength in Parliament.

- Instrument for Detailed Scrutiny:
  - When bills are referred to these committees, **they are examined closely and inputs are sought from various external stakeholders,** including the public.
- Provides a Check on the Government:
  - Although committee recommendations are not binding on the government, their reports create a public record of the consultations that took place and put pressure on the government to reconsider its stand on debatable provisions.
  - By virtue of being closed-door and away from the public eye, discussions in committee meetings are also more collaborative, with MPs feeling less pressured to posture for media galleries.

# Why is the Sidelining of the Parliamentary Committees an Issue?

- Weakening of Parliamentary System Government:
  - A parliamentary democracy **works on the doctrine of fusion of powers between parliament and the executive,** but the Parliament is supposed to maintain oversight of the government and keep its power in check.
    - Thus, by circumventing the Parliamentary committees in the passing of significant legislation, there is a risk of weakening democracy.
- Enforcing Brute Majority:
  - In the Indian system, it is not mandatory for bills to be sent to committees. It's left to the discretion of the Chair the Speaker in the Lok Sabha and Chairperson in the Rajya Sabha.
    - By giving discretionary power to the Chair, the system has been specially rendered weak in a Lok Sabha where the ruling party has a brute majority.

# **Way Forward**

- Mandating scrutiny for the significant bills passed is by no means a hurdle to the legislative process, rather it is necessary to uphold the quality of legislation, and by extension, the quality of governance.
- Thus, a strong parliamentary committee system is required to ensure Parliament's sanctity in the law-making process.

# **UPSC Civil Services Examination, Previous Year Questions (PYQs)**

Q. With reference to the Parliament of India, which of the following Parliamentary Committees scrutinizes and reports to the House whether the powers to make regulations, rules, sub-rules, by-laws, etc., conferred by the Constitution or delegated by the Parliament are being properly exercised by the Executive within the scope of such delegation? (2018)

(a) Committee on Government Assurances

- (b) Committee on Subordinate Legislation
- (c) Rules Committee
- (d) Business Advisory Committee

### Ans: (b)

Exp:

- Committee on Government Assurance: The functions of the Committee on Government Assurances are to scrutinize the assurances, promises, and undertakings etc., given by the Ministers, from time to time on the floor of the House. For Lok Sabha it is a 15 member body, whereas Rajya Sabha has 10 members.
- Committee on Subordinate Legislation: The functions of the Committee on Subordinate Legislation are to scrutinize and report to the House whether the powers to make regulations, rules, and sub-rules, bye-laws etc. conferred by the Constitution or delegated by Parliament are being properly

exercised within such delegation. For both Lok Sabha and Rajya Sabha it is a 15 member body.

- Rules Committee: Its function is to consider matters of procedure and conduct of business in the House and to recommend any amendments or additions to these rules that may be deemed necessary. For Lok Sabha it is a 15 member body, whereas Rajya Sabha has 16 members. The committee is headed by the Chairman or the Speaker, as the case may be, for Rajya Sabha and Lok Sabha respectively.
- Business Advisory Committee: The function of the Committee is to recommend the time that should be allotted for the discussion of such government legislative and other business as the Speaker, in consultation with the Leader of the House, may direct to be referred to the Committee. It is a 15 member body in Lok Sabha headed by the Speaker of the House. Therefore, option (b) is the correct answer.

#### Source: IE

# India-made Syrups and Deaths in Gambia

For Prelims: WHO, Diethylene glycol and Ethylene glycol, CDSCO, DGCI.

For Mains: Drug Regulatory Norms in India.

### Why in News?

Recently, the **World Health Organisation (WHO)** issued an alert about four **Indian-manufactured cough syrups, which are** said to be linked to acute kidney injury in children and 66 deaths in the small West African nation of The Gambia.

- The WHO analysis of samples of each of these products had confirmed the presence of "unacceptable amounts of diethylene glycol and ethylene glycol as contaminants". These ingredients are not allowed in food or drugs, as they can cause abdominal pain, vomiting, diarrhoea, headache, severe renal injury and neurological toxicity.
- The company said these were not sold in India and are only for export markets already approved by the DGCI.

# **Decoding the regulatory norms**

# Who can export drugs from India?

Any manufacturer with a certification from the Central Drugs Standard Control Organisation (CDSCO) – the apex regulatory body for cosmetics, pharmaceuticals and medical devices.

# Do drugs manufactured in India for export need to be tested domestically?

At the time of issuing license, drugs inspectors assigned by the Indian regulator may lift samples in any phase of manufacturing for quality checks. It is, however, not mandatory; and rarely done

### What safety norms need to be adhered to?

First point of testing is at a manufacturer's level, to ensure that the drug adheres to the safety norms prescribed by the Indian Pharmacopoeia, and the regulatory requirement of the country of export. However, generally speaking, destination countries expect nations of origin to strictly follow the norms prescibed by the pharmacopoeia under which the sale is governed.

# What are the intn'l drug safety norms?

Drug regulatory norms are usually country-specific and are enforced at the level of individual countries. The US, Japanese, British, European and Chinese pharmacopeias act as reference points for uniform preparations for the most commonly used drugs — with tests to ensure their quality, potency and purity. The WHO's prequalification programme is another criterion wherein the UN body certifies sale of drugs/vaccines under the UN programmes.

# Are destination nations responsible for safety?

Some countries do internal testing at the point of entry, but it is not mandatory and varies by the country.

# For sale domestically

What are the checks in place to ensure the safety of drugs in India?

The CDSCO and state drugs regulators are responsible for ensuring quality of drugs that are manufactured, sold or distributed in Indian markets.



# Maiden Pharma controversies

KERALA: Maiden Pharmaceuticals' drugs – Metomin, Easiprin, and Maical-D – were lifted from the markets after they were found to be substandard

BIHAR: The state health department blacklisted the firm for 5 years in 2011 after six batches of two of its drugs were found "not of standard quality"

Rakar

# What are the Related Regulations in India?

#### The Drugs and Cosmetics Act:

- **The Drugs and Cosmetics Act**, 1940 and Rules 1945 have entrusted various responsibilities to central and state regulators for regulation of drugs and cosmetics.
- It provides the regulatory guidelines for issuing licenses to manufacture Ayurvedic, Siddha, Unani medicines.
- It is mandatory for the manufacturers to adhere to the prescribed requirements for licensing of manufacturing units & medicines including proof of safety & effectiveness, compliance with the **Good Manufacturing Practices (GMP).**
- Central Drugs Standard Control Organisation(CDSCO):
  - Prescribes standards and measures for ensuring the safety, efficacy and quality of drugs, cosmetics, diagnostics and devices in the country.
  - Regulates the market authorization of new drugs and clinical trials standards.
  - Supervises drug imports and approves licences to manufacture the above-mentioned products.

- **CDSCO regulates export** of drugs in India, any **manufacturer with the certification from CDSCO** can export drugs outside India.
- Drugs Controller General of India:
  - DCGI is the head of department of the CDSCO of the Government of India responsible for approval of licences of specified categories of drugs such as blood and blood products, IV fluids, vaccines and sera in India.
  - DCGI also sets **standards for manufacturing, sales, import**, and distribution of drugs in India.

### Source: HT

# Sustainable Finance

For Prelims: Carbon Market, MSME, Regulatory Sandbox

For Mains: Sustainable Finance, International Financial Services Centres Authority

# Why in News?

A Committee on Sustainable Finance, constituted by <u>International Financial Services Centres</u> <u>Authority (IFSCA)</u> submitted its report on Sustainable Finance suggesting development of the <u>carbon</u> <u>market</u> among others.

# What is Sustainable Finance?

- Sustainable finance is defined as investment decisions that take into account the environmental, social, and governance (ESG) factors of an economic activity or project.
  - **Environmental factors** include mitigation of the climate crisis or use of sustainable resources.
  - **Social factors** include human and animal rights, as well as consumer protection and diverse hiring practices.
  - **Governance factors** refer to the management, employee relations, and compensation practices of both public and private organizations.

# What are the Recommendations of the Committee?

- Developing a voluntary carbon market, framework for transition bonds, enabling de-risking mechanisms, promoting <u>regulatory sandbox</u> for <u>green fintech</u> and facilitating the creation of a global climate alliance among others.
- Setting up of a dedicated <u>MSME (Micro, Small and Medium Enterprises)</u> platform for sustainable lending.
- Facilitating the use of innovative instruments such as catastrophe bonds, municipal bonds, green securitisation, blended finance among others.
- Enabling aggregation facilities, impact funds, green equity etc. in IFSC.
- **IFSCA has to play a vital role in capacity building** which lays the foundation for greening the financial system.

# What is IFSCA?

Establishment:

- The IFSCA was established in 2020 under the International Financial Services Centres Authority Act, 2019.
- It is headquartered at <u>GIFT (Gujarat International. Finance Tec-City</u>) City, Gandhinagar in Gujarat.
- Role:
  - The IFSCA is a unified authority for the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centre (IFSC) in India.
  - At present, the GIFT IFSC is the **maiden international financial services centre in India.**
  - Prior to the establishment of IFSCA, the domestic financial regulators, namely, <u>RBI</u>, <u>SEBI, Insurance Regulatory and Development Authority of India (IRDAI)</u>, and the <u>Pension Fund Regulatory and Development Authority (PFRDA)</u> regulated the business in IFSC.
- Members:
  - The International Financial Services Centres Authority **consists of nine members,** appointed by the central government.
  - They include **the chairperson of the authority**, a member each from the **RBI**, **SEBI**, the **IRDAI**, and the **PFRDA**, and two members from the Ministry of Finance. In addition, two other members are appointed on the recommendation of a Selection Committee.
- Term:
  - All members of the IFSCA have **a term of three years,** subject to reappointment.

# What are the Carbon Markets?

- **Carbon markets** allow for buying and selling of carbon emissions with the objective of reducing global emissions.
- Carbon markets existed under the Kyoto Protocol, which is being replaced by the <u>Paris Agreement</u> in 2020.
- Carbon Markets can potentially deliver emissions reductions over and above what countries are doing on their own.
  - For example, technology upgradation and emission reduction of a brick kiln in India can

be achieved in two ways:

- A developed country which is unable to meet its reduction target can provide money or technology to the brick kiln in India, and thus claim the reduction of emission as its own.
- Alternatively, the kiln can make the investment, and then offer on sale the emission reduction, called carbon credits. Another party, struggling to meet its own targets, can buy these credits and show these as their own.

# What are the Related Indian Government Initiatives?

- **Perform Achieve and Trade (PAT) Scheme:** The government has undertaken the **PAT scheme**, targeting carbon emission reduction in 13 energy intensive sectors.
- Encouraging Foreign Capital: The Government has permitted Foreign Direct Investment (FDI) up to 100 percent under the automatic route in the renewable energy sector.

### Encouraging Renewable energy:

- The Government has waived inter-state Transmission System (ISTS) charges for inter-State sale of solar and wind power for projects.
- Making provisions for <u>Renewable Purchase Obligation</u> (**RPO**) and setting up Renewable Energy parks
- India's Nationally Determined Contribution: Under the Paris Agreement which was adopted by signatory countries in 2015, India had submitted <u>Nationally Determined Contribution</u> (NDC) with quantified targets
  - To reduce the emissions intensity of its <u>Gross Domestic Product (GDP)</u> by 33-35% till 2030 from the levels at 2005,
  - To achieve about 40% cumulative electric power installed capacity from non-fossil fuelbased energy resources by 2030,
  - To create an additional carbon sink of 2.5-3 billion tonnes of carbon dioxide equivalent

# UPSC Civil Services Examination Previous Year Question (PYQ)

# <u>Prelims</u>

#### Q. The concept of carbon credit originated from which one of the following? (2009)

- (a) Earth Summit, Rio de Janeiro
- (b) Kyoto Protocol
- (c) Montreal Protocol
- (d) G-8 Summit, Heiligendamm

### Ans: (b)

- Adopted in 1997, the Kyoto Protocol came into force in 2005. It is an international treaty which extends the 1992 United Nations Framework Convention on Climate Change (UNFCCC) that commits parties to reduce greenhouse gas emissions, based on the scientific consensus.
  - Emissions trading, as set out in Article 17 of the Kyoto Protocol, allows countries that have emission units to spare – emissions permitted to them, but not "used" – to sell this excess capacity to countries that are over their targets.
  - Carbon Credit is a unit of measure, the credit given to someone or an entity/company or country, if they reduce their GHG emissions (CO2 equivalents) by 1 unit. This is provided through Clean Development Mechanism (CDM) under **the Kyoto Protocol, which facilitates a "carbon market".**
- Rio de Janeiro Earth Summit, or Rio Summit, was a major United Nations conference, held in Rio de Janeiro in June 1992.
  - The summit concluded with an agreement on the Climate Change Convention, which in turn led to the **Kyoto Protocol and the Paris Agreement.**
  - Another agreement was to "not to carry out any activities on the lands of indigenous peoples that would cause environmental degradation or that would be culturally inappropriate".
  - The documents developed in the summit are, the Rio Declaration on Environment and Development, Agenda 21, Forest Principles.
- Montreal Protocol is a protocol to the Vienna Convention for the Protection of the Ozone Layer. It is an international treaty designed to protect the ozone layer by phasing out the production of numerous substances believed to be responsible for ozone depletion.
- The outcome of 33rd G8 Summit held in Heiligendamm was Heiligendamm Process. This process was to initiate a dialogue on relevant issues with the important emerging economies.
- Four Areas of Focus
  - Promoting and protecting innovation,
  - Strengthening the freedom of investment by means of an open investment climate, including strengthening the principles of corporate social responsibility,
  - · Determining joint responsibilities for development, focusing specifically on Africa,
  - $\circ\,$  Joint access to know-how to improve energy efficiency and technology co-operation, with the aim of contributing to reducing CO\_2 emissions.
- Therefore, option (b) is the correct answer.

# <u>Mains</u>

**Q.** Should the pursuit of carbon credits and clean development mechanisms set up under UNFCCC be maintained even though there has been a massive slide in the value of a carbon credit? Discuss with respect to India's energy needs for economic growth. **(2014)** 

# **Nobel Peace Prize 2022**

# Why in News?

Recently, the **2022 Nobel Peace Prize** was awarded to human rights advocate **Ales Bialiatski from Belarus**, the **Russian human rights organisation Memorial**, and the **Ukrainian human rights organisation Center for Civil Liberties**.

- The Prize recognizes their contribution for many years, promoting the right to criticize power and protecting the fundamental rights of citizens.
- With the awardees being from Belarus, Ukraine, and Russia, an implicit message has been sent about the **ongoing conflict between Russia and Ukraine.**
- In 2021, Nobel Peace Prize was awarded to journalists Maria Ressa of the Philippines and Dmitry Muratov of Russia for their efforts to safeguard freedom of expression, which is a precondition for democracy and lasting peace.
- Other 2022 Nobel Prizes for Literature, Chemistry, Physics and Medicine have already been announced.

### Who are the Winners?

- Belarus's Ales Bialiatski:
  - Ales Bialiatski was one of the initiators of the democracy movement in Belarus in the mid-1980s."
  - Bialiatski is also **credited with founding the organisation Viasna (Spring) in 1996 in response to the controversial constitutional amendments** that gave the president (Alexander Lukashenko) dictatorial powers.
  - Over time, **Viasna evolved into a "broad-based human rights organisation** that documented and protested against the authorities' use of torture against political prisoners".
  - In 2020, he was one of the three recipients of the Right Livelihood Award by the Swedish Right Livelihood Foundation, sometimes referred to as the "Alternative Nobel".
  - He is the fourth person to get the Nobel Peace Prize in Jail.
- Russian Human Rights Organisation, Memorial:
  - The organisation was established in 1987, "by human rights activists in the former Soviet Union who wanted to ensure that the victims of the communist regime's oppression would never be forgotten."
  - Nobel Peace Prize laureate Andrei Sakharov, who won the prize in 1954, and human rights advocate Svetlana Gannushkina were among the organisation's founders.
  - It has been **described as the largest human rights organisation in Russia**, and in the present day, it helped in **gathering information on "the political oppression and human rights violations in Russia".**
- Ukrainian Human Rights Organisation, Center for Civil Liberties:
  - The Center for Civil Liberties was founded in Kyiv in 2007 "for the purpose of advancing human rights and democracy in Ukraine".
  - The Centre describes itself as "one of the leading actors in Ukraine, influencing the formation of public opinion and public policy, supporting the development of civic activism, and actively participating in international networks and solidarity actions to promote human rights".
  - After Russia's invasion of Ukraine in February 2022, the Center for Civil Liberties has

#### Source: IE

# **Indian Air Force Day**

## Why in News?

The Indian Air Force (IAF) is celebrating 90<sup>th</sup> Air Force Day on 8th October.

# What are the Key Highlights of the celebrations?

- The primary event of the day is being observed at Chandigarh Air Force Station and consists of a parade and flyover.
- LCH "Prachanda, Light Combat Aircraft (LCA) Tejas, Sukhoi, Mig-29, Jaguar, Rafale, IL-76, C-130J, and Hawk have taken part in the fly-past.
- Among helicopters, Advanced Light Helicopter Dhruv, Chinook, Apache and Mi-17 will be part of the aerial display.

# What is the Indian Air Force?

- Background:
  - The **Indian Air Force** was established in 1932 during <u>World War II</u> to support the Royal Air Force of the United Kingdom in its war against Japan.
    - To stop the Japanese army's progress into India, the IAF was utilised to target Japanese bases in Burma.
  - In 1945, <u>King George VI</u> bestowed the **prefix "Royal"** in recognition of the IAF's accomplishments. After India became a **republic in 1950**, this honorary title was abolished.
  - After the independence of the nation, it evolved into the Indian Air Force in 1950.
- About:
  - President of India is the Supreme Commander of the Armed Forces,
  - The fourth-largest air force in the world is the Indian Air Force.
  - Headquarters: New Delhi
  - Motto of India Air Force: Touch the sky with Glory.
    - It was taken from the eleventh chapter of the Bhagavad Gita.
  - The **Chief of Air Staff, an air chief marshal** is responsible for the operational command of the air force.

# What are the most Significant Operations of the IAF?

- After independence, IAF took part in wars with Pakistan and the People's Republic of China.
  - Operation Meghdoot: To regain control of the heights commanding the Siachen glacier, the Indian Army, Indian Air Force, and paramilitary troops launched <u>"Operation</u> <u>Meghdoot"</u> on April 13, 1984.
- IAF took part in relief operations during natural calamities such as Gujarat cyclone in 1998, the tsunami in 2004, etc.
- Other significant operations of the IAF:
  - Operation Vijay (1961)
  - The Second Kashmir War (1965)
  - The Bangladesh Liberation War (1971)
  - Operation Poomalai (1987)

- Operation Cactus (1988)
- <u>The Kargil War (1999)</u>
  <u>The Balakot airstrike</u>
- The India-Pakistan standoff of 2019

### **Source: The Hindu**

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