

International Relations

Visit to Nepal and Bhutan Using Aadhaar Card

Syllabus: India and its neighbourhood- relations.

In News

- Indians under **15 and over 65 years** travelling to Nepal and Bhutan can use **Aadhaar card as valid travel document**.
- Indians other than those in the two age brackets will not be able to use Aadhaar to travel to the two neighbouring countries.
- Union Home Ministry has tweaked the travel document norms in this regard.

Key Facts

- India has an **open door policy** with Nepal and Bhutan. Indian citizens going to these countries do not need a visa if they have a valid photo identity card.
- **Earlier**, persons over 65 and under 15 could show their PAN card, driving licence, Central Government Health Service (CGHS) card or ration card, **but not the Aadhaar**, to prove their identity and visit the two countries.

Why Open Door Policy With these Countries

- It is due to the recognition of *shared history, culture and deep-rooted interpersonal ties*.
- **Indo-Nepal Treaty of Peace and Friendship 1950** allows free movement of people between these India and Nepal.
- Similarly, **1949 Treaty of Friendship between India and Bhutan** allows both the countries to do so.

Currency Swap Framework for SAARC Countries

Syllabus: India and its neighbourhood- relations.

In News

- The Union Cabinet has given ex-post facto (with retrospective force) approval for amendment to the **'Framework on Currency Swap Arrangement for SAARC Member Countries'**.
- This step resonates with India's Neighbourhood First Policy.

Key Highlights

- The amendment has incorporated a **stand-by facility of \$ 400 million to assist countries** like Sri Lanka and Maldives whose economies faced crisis by borrowing heavily from China.
- This 'Standby Swap' amounting to \$ 400 million will be operated **within the overall size of the Facility of \$ 2 billion.**
- The new facility would enable India to **provide a prompt response** to the current request from SAARC member countries for availing the swap amount exceeding the present limit prescribed under the SAARC Swap Framework.

Framework on Currency Swap Arrangement

- On March 1, 2012, Indian government had approved the Framework on Currency Swap Arrangement for SAARC Member Countries.
- The **aim** of this framework is to **provide a line of funding for short-term foreign exchange requirements** or to **meet balance of payments crises.**
- Under the Facility, RBI offers swaps of varying sizes in USD, Euro or INR to each SAARC member country depending on their two months import requirement and not exceeding US\$ 2 billion in total.
- The swap amount for each country has been defined in the above Facility, subject to a floor of USD 100 Million and a maximum of USD 400 Million.
- Each Drawal will be for three months tenor and upto maximum of two rollovers.

India Lets Pakistan Team Inspect Chenab Projects

Syllabus: India and its neighbourhood- relations.

In News

- A three-member Pakistan delegation visited India for inspection of projects in the Chenab basin.
- The visit is mandated by the **Indus Waters Treaty** to allow both sides to resolve issues related to hydroelectric projects.

Background

- Last year, during an official engagement between India and Pakistan the two sides had discussed ways to strengthen the role of the **Permanent Indus Commission (PIC)** for resolving matters under the 1960 treaty.
- As a result, India has finally agreed to Pakistan' request for inspection of Indian projects in Chenab basin.
- The two countries are currently involved in technical discussions on implementation of various hydroelectric projects including **Pakal Dul** (1,000 MW) and **Lower Kalnai** (48 MW) in the state of Jammu & Kashmir.

Provisions of IWT

- The Treaty was signed by former Indian Prime Minister Jawaharlal Nehru and General Ayub Khan on September 19, 1960, in Karachi.
- It covers the water distribution and sharing rights of six rivers – Beas, Ravi, Sutlej, Indus, Chenab and Jhelum. The agreement was brokered by the World Bank.
- The treaty gave the three "eastern rivers" of Beas, Ravi and Sutlej to India for use of water

without restriction.

- The three "western rivers" of Indus, Chenab and Jhelum were allocated exclusively to Pakistan
- New Delhi is under obligation to let the waters of the western rivers flow, except for certain consumptive use, with **Pakistan getting 80% of the entire water** of the six-river Indus system.
- The Indus Waters Treaty (IWT) reserved for India just remaining 19.48% of the total waters.
- India can construct storage facilities on western rivers of up to 3.6 million acre feet, which it has not done so far.
- The IWT **permits run of the river projects**. The treaty requires India to provide Pakistan **with prior notification, including design information, of any new project**.
- Under the treaty, in case the parties fail to resolve water disputes through bilateral means, the aggrieved party has the option **to invoke the jurisdiction of the ICA or the neutral expert under the auspices of the World Bank**.
- **IWT is considered as the world's most generous water-sharing treaty**. It is the only inter-country water agreement embodying **the doctrine of restricted sovereignty**, which compels the upstream nation to forego major uses of a river system for the benefit of the downstream state.

Macedonia Renamed as the Republic of North Macedonia

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- The parliamentarians of the Republic of Macedonia voted to change their country's name to the "Republic of North Macedonia".
- This is very significant move given the longstanding dispute between FYR Macedonia and Greece.
- The change of name, if cleared by Greece, would pave the way for the small republic to enter NATO and the European Union.



Dispute between Macedonia and Greece

- Macedonia broke away from the former Yugoslavia in 1991 and declared independence.
- It measures a little over 25,000 sq km, and has a population just over 2 million.
- Neighbouring Greece has objected to its name all through, suggesting it implied the Macedonian republic's territorial aspirations over the northern region of Greece.
- For the Greeks, Macedonia is significant as the cradle of Alexander the Great's empire.
- Insisting that the name apply only to the Greek region, the Greeks have been blocking the Macedonian republic's entry to NATO and EU membership.

Asia Reassurance Initiative Act

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- U.S. President Donald Trump has signed into law the **Asia Reassurance Initiative Act (ARIA)**.

- This act was passed by the U.S. Senate earlier in December 2018.

Key Highlights

- This act tries to **establish a multifaceted U.S. strategy** in order to increase U.S. security, economic interests, and values in the **Indo-Pacific region**.
- It will authorize **\$1.5 billion in spending** every year for the next five years for a range of U.S. programs in **East and Southeast Asia**.
- ARIA draws attention to U.S. relations with *China, India, the ten member states of the Association of Southeast Asian Nations (ASEAN), and Northeast Asian allies Japan and South Korea*.
- The act also addresses **U.S. policy toward North Korea**. It authorizes the **U.S. Secretary of State**, in conjunction with the **Secretary of the Treasury, to terminate** U.S. support for any United Nations Security Council resolutions sanctioning North Korea or **to lift** any unilateral U.S. sanctions on North Korea.
- The act reasserts **U.S. support for Taiwan** and calls on the president of the United States to **“encourage the travel of high level United States officials to Taiwan**, in accordance with the Taiwan Travel Act,” which was made law in 2018.
- The act also devotes attention to the **maritime commons in the Asia and the South China Sea**.
- In this regard, it calls on the **United States to support the ASEAN nations** as they adopt a code of conduct in the South China Sea with China.
- The act urges U.S. President to develop a **Diplomatic Strategy**. This strategy should include **joint maritime training and freedom of navigation operations** in the Indo-Pacific region, including the East China Sea and the South China Sea.

Analysis

- ARIA is very broad, covering relations with countries and regions from India to ASEAN, to the Korean peninsula and Japan, and support for issues from democracy to cyber security to maritime security.
- Through this act, USA has sent a clear signal to Asia that the United States will remain an effective, respectful ally and partner in Indo-Pacific region.
- It has shown its commitment to a **“free and open Indo-Pacific region and the rules-based international order**.
- Five-year funding programme would help **U.S’ regional diplomacy** at a time when many South East Asian countries have urged for greater engagement.
- Mentioning of Taiwan, South China Sea can be viewed in the context of the **US’ mounting strategic competition with China**.

Significance For India

- India has been **accorded special importance** under the Act, which reiterates India’s significance in the U.S. strategy in the region.
- The Act notes India as a **Major Defense Partner**, a “unique” status for India, which would ease defense trade and sharing of technology, including “license-free access to a wide range of dual-use technologies”.
- It will also promote **greater coordination** on security policies and strategies and increased military-to-military engagements.

- Although, ARIA welcomes a continued close relationship with India, but it is **mostly symbolic in nature**.
- It **does not initiate notable new projects** with the United States' largest democratic partner.
- The Act also talks about **countering China's coercive economic policies**, but India would be interested in seeing whether this will provide any help to **India's neighbors in escaping China's debt grasp**.

Brexit Deal Rejected

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- Britain's parliament has **rejected Prime Minister Theresa May's Brexit deal**.
- This has potential to trigger political chaos that could lead to a **disorderly exit** from the EU or **even to a reversal** of the 2016 decision to leave.

Key Highlights

- May's plan for Brexit came up for a vote in parliament recently, and it was roundly defeated with 432 against and only 202 in favor.
- This has been the worst defeat that any government has ever suffered in British history.
- If the government is *unable to get a Brexit bill passed by March 29*, the **UK will leave the EU without a deal in place**, with the promise of even greater chaos.

Why The Deal Has Been Rejected

- The Brexit deal was doomed by **deep opposition from both sides** of the divide over UK's place in the bloc.
- Pro-Brexit lawmakers contended that the current deal **will leave Britain bound indefinitely to EU rules**.
- On the other hand, pro-EU politicians wanted an **even closer economic relationship** with Europe which was not ensured in the current deal.
- The most contentious section of the deal is an insurance policy known as the "**backstop**". The hard Brexiteers insist this provision to be time-limited.
- Backstop is designed to prevent the reintroduction of border controls between the UK's Northern Ireland and EU member Ireland.

Backstop Provision: In Brief

- The backstop plan is essentially a safety net if there is no Brexit trade deal.
- It would avoid a hard border between Northern Ireland and the Republic of Ireland.
- At present, goods and services are traded between the two jurisdictions on the island of Ireland with few restrictions.
- The UK and Ireland are currently part of the EU single market and customs union, so products do not need to be inspected for customs and standards.
- But, after Brexit, all that could change - the two parts of Ireland could be in different customs and regulatory regimes, which could mean products being checked at the border.

What Happens Next

- There are a number of possible scenarios which includes:
 - **No deal** - The UK could head towards a **'no deal' Brexit**. Without plans in place, border checks could be re-imposed.
 - Some people say that 'no deal' is the best thing for Britain as it means **Britain will be completely free to build new relationships** around the world and would mean the UK **wouldn't have to pay any more money to the EU**.
 - **New deal** - This approach would involve the government going back to EU leaders to renegotiate the current deal.
 - There isn't really very much time left to do this though, unless the government asks for Brexit to be delayed.
- March 29 is the date set in law for Brexit.
- With the rejected deal, the United Kingdom is now ensnared in the deepest political crisis in half a century as it grapples with how, or even whether, to exit the European project that it joined in 1973.

About BREXIT

- In the summer of 2016, through a referendum Britain decided to leave European Union.
- Britain joined the **European Community in 1973**. This was the **second referendum** on Britain's relationship with the European integration project.
- Labour Prime Minister Harold Wilson had the first referendum on Britain's membership in 1975 in which 66% people voted to stay in the European Community.

Ballistic Missile Program In Saudi Arabia

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- Experts and satellite images suggest that Saudi Arabia appears to be testing and possibly manufacturing ballistic missiles.
- Ballistic missiles can carry nuclear warheads to targets thousands of kilometers (miles) away.

Key Highlights

- The satellite images, which focus on a military base near the town of al-Dawadmi (some 230 kilometers west of Riyadh, the Saudi capital) suggests two launch pads.
- These pads appear oriented to **target Israel and Iran**.
- Satellite images also show what appear to be structures big enough to build and fuel ballistic missiles.

Where Saudi Arabia Gained The Technical Know-How To Build Such A Facility?

- Analysts contend that the Saudi facility closely resembles a design used by China, though it is smaller.
- They contend that Chinese military support to the kingdom would not come as a surprise.
- The Chinese have increasingly sold **armed drones to Saudi Arabia** and other Mideast nations, even as the U.S. blocks sales of its own to allies over proliferation concerns.
- Beijing also sold Riyadh **variants of its Dongfeng ballistic missiles**, the only ones the kingdom was previously believed to have in its arsenal.

Why Saudi Is Keen To Develop Ballistic Missile?

- Iran, which is the rival to the Saudi Arabia in the region, has its own ballistic missile programme.
- Saudis rely heavily on **direct American support**. There is no absolute guarantee that U.S. forces and supporting functions will aid a Saudi attack on Iranian targets.
- Saudi Arabia, meanwhile, has been targeted by ballistic missiles (*possibly supplied by Iran*) fired from neighboring Yemen by the Houthi rebels.

Analysis

- Having such a program could further strain relations with the U.S., the kingdom's longtime security partner.
- That too at a time when ties already are being tested by the **killing of Washington Post columnist Jamal Khashoggi** and the **Saudi-led war in Yemen**.
- It would start an arm race in the middle east leading to further destabilization.
- Neither Saudi Arabia nor China are members of the Missile Technology Control Regime.
- MTCR is aimed at limiting the proliferation of rockets capable of carrying weapons of mass destruction, such as nuclear bombs.

China Passes Law to Make Islam Compatible with Socialism

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- China has passed a new law that **seeks to Sinicize** (Sinicize - to make Chinese in character or form) **Islam** within the next five years.
- This is the latest move by Beijing to rewrite how religion is practised in the country.
- The Chinese government officials held talks with eight Islamic associations and came to a consensus over the need to "**guide Islam to be compatible with socialism and implement measures to Sinicize the religion.**"

Why This New Law

- Rights groups have accused China of engaging in a campaign of ethnic cleansing.
- Practising Islam has been made forbidden in parts of China.
- Individuals caught praying, fasting, growing a beard or wearing a hijab, a headscarf worn by Muslim women, face the threat of arrest.
- According to the UN, more than one million Uighur Muslims are estimated to be held in internment camps.
- In these camps, they are forced to denounce the religion and pledge allegiance to the officially atheist ruling Communist Party.
- Growing criticism has forced China to Sinicize the Islam whose main purpose is to seek **Islam governance that tallies with Chinese practice**.

Visit of Minister of Foreign Affairs of the Kyrgyz Republic

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- Foreign Minister of the Kyrgyz Republic, Mr. Chingiz Azamatovich Aidarbekov, visited India on 27-31 January.
- It was his first ever official visit to India.

Why This Visit Is Important

- Kyrgyzstan is putting efforts to *liberalize its economy, create business friendly conditions and attract foreign investment* and India can be a reliable **partner in this regard**.
- This visit is also significant against the backdrop of **newly launched initiative of the India-Central Asia Dialogue** at the level of Foreign Ministers.
- Both the countries are **member of SCO** as well.
- More than **9000 Indian students** are present in various Kyrgyz educational institutions.

India-Central Asia Dialogue

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- The **First India-Central Asia Dialogue** at the level of Foreign Ministers was held in Samarkand, Uzbekistan on 12-13 January 2019.
- Foreign Ministers of the **Kyrgyz Republic, Tajikistan and Turkmenistan** and the First Deputy Foreign Minister of **Kazakhstan** represented their respective countries.
- The Foreign Minister of Afghanistan participated in the Dialogue **as a special invitee** for the Session **dedicated to connectivity issues in the region**.

Key Highlights

- The dialogue was aimed at *increasing cooperation, mutual support, joint solution on relevant issues in order to ensure security, stability and sustainable development*.
- In this context, the participants of the meeting welcomed the successful holding of the **First Working (Consultative) Meeting of the Heads of States of Central Asia**, held on March 15, 2018 in Astana.
- Participating leaders discussed a **wide range of issues**, which included – Terrorism, importance of developing and implementing projects, economic cooperation and ensuring favorable conditions for mutual free trade.
- The Ministers stressed the importance of holding industry-specific business forums and other mutual business events on a regular basis.
- They paid particular attention to the **implementation of joint youth projects** in the field of culture, science and education, sports, including in framework of the implementation of the **UN General Assembly Resolution on Education and religious tolerance**.
- The ministers also confirmed their willingness to cooperate in preparation for the **Eighth Regional Economic Cooperation Conference on Afghanistan (RECCA VIII)** in Tashkent in the second half of 2019.

- **Development Partnership** has been the **central component** of India's engagement with other countries.
- In this context, India has proposed the setting up of the "**India-Central Asia Development Group**" to take forward this development partnership between India and Central Asian countries.
- Indian Minister also invited **Central Asian Countries to participate in Chabahar Port** being developed by India.
- In order to facilitate leading business chambers to engage with each other in a structured manner, India proposed the setting up of the "**India-Central Asia Business Council**".
- **Indian side proposed that** it would like to **offer the model of Amrit pharmacies** (Amrit pharmacies sell generic drugs in India) which could be established in the Central Asian countries for public health.
- The Participants agreed to continue holding the "**India – Central Asia**" Dialogue with participation of Afghanistan at the level of Foreign Ministers on a regular basis and agreed to meet in this format in **New Delhi in 2020**.

[Please refer the topic "**Visit of Indian External Affairs Minister to Kazakhstan, Kyrgyzstan and Uzbekistan**" from August 2018 issue of CA magazine for analysis on importance of Central Asia for India]

Currency Swap Agreement with Japan

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- The Union Cabinet has **approved a proposal for a USD 75-billion bilateral swap** arrangement between India and Japan.
- During his visit to Japan in October 2018, Indian Prime Minister had inked a deal for a bilateral currency swap arrangement.

[For detail regarding this visit, please refer the topic "**Visit of Indian Prime Minister to Japan**" from October 2018 issue of CA magazine]

- While India has such arrangements with many Asian nations, this **was among the largest of such deals, valued at \$75 billion**.

Key Highlights

- The swap involves **US Dollar** besides **Japanese Yen** and **Indian Rupee**.
- The Bank of Japan (Japanese central bank) will **accept rupees** and **give dollars** to the RBI and, similarly, the RBI will **take the yen** and **give dollars** to the Bank of Japan to stabilize each other's currency.
- The Japanese Yen is **one of the five currencies** included in the IMF's SDR basket and is counted as **global hard currency**.
- Hence, this agreement seems to be **exchange of reserve currency for non-reserve currency** (rupee).

What is Currency Swap Agreement

- A currency swap between two countries is an **agreement or contract to exchange** currencies (of the two countries or any hard currency) with predetermined terms and conditions.

- In such agreement the central banks of the two countries remain involved.
- In this case, RBI will get a certain amount of yen and the Bank of Japan will get an equivalent amount in Indian rupees. The rate will be decided on the basis of prevailing market rates.
- Later, both of the countries will repay the amount at the same exchange rate. In return, there will be a swap rate to be decided by the two countries. Normally, they will be linked to London inter-bank rate, called Libor.
- In other words, a bilateral currency swap is an **open-ended credit line** from one country to another at a **fixed exchange rate**.
- The country which avails itself of this loan **pays interest to the country** which provides it, at a **benchmark interest rate** such as the Libor (London Inter-bank rate).

Benefits Of This Agreement

- **Stabilisation of rupees** - In recent times, the **rupee has been falling against the dollar** because of its widening current account deficit.
- In this context, swap arrangement with Japan provides considerable comfort to India as Japan is the **second largest holder of dollar reserves** in the world. India can make use of such a loan at rock-bottom interest rates to stabilize the rupee.
- **Ensures Liquidity** - Currency swaps ensure adequate foreign currency during the time of foreign currency scarcity.
- It also helps the involved governments to fulfill supplementary objectives like **promotion of bilateral trade, maintaining the value of foreign exchange reserves** with the central bank and ensuring **financial stability**.

State Visit of President of South Africa to India

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- President of South Africa, Mr. Cyril Ramaphosa, undertook a State Visit to India on 25-26 January 2019
- He was the **State Guest of Honour** for Republic Day 2019.
- This was the **first visit to India** by President Ramaphosa as Head of State.
- He is the **second President of South Africa after President Nelson Mandela** to be the Chief Guest at the Republic Day.

Key Highlights

- President Ramaphosa and Prime Minister Modi jointly addressed the **India-South Africa Business Forum**, with a focus to grow business ties between the two countries.
- President Ramaphosa also delivered the **inaugural IBSA Gandhi-Mandela Freedom Lecture**.
- A **Three-Year Strategic Programme of Cooperation** (2019-2021) was signed by the two sides. This is aimed at **further enhancing the strategic partnership** between the two countries.
- The Strategic Partnership between India and South Africa was established through the **Red Fort Declaration of March 1997** and the **Tshwane Declaration of October 2006**.
- Both leaders agreed that the **10th Session of the India-South Africa Joint Ministerial Commission** will be held in 2019 in New Delhi led by the Foreign Ministers of both the countries.

- **2 MoUs** were between Research & Information System for Developing Countries (a leading policy research institute of India) based in Delhi with two premier South African think tanks, namely, the Institute for Global Dialogue in Pretoria and South Africa Institute for International Affairs in Johannesburg.
- The three research institutions would carry forward work **under track 1.5**.
- They will also focus on areas to further promote practical cooperation with Africa identified in **Delhi Declaration 2015** at the end of **3rd India Africa Forum Summit**.
- SA welcomed the setting up of the "**Gandhi – Mandela Centre of Specialization for Artisan Skills**" in South Africa with Indian assistance.
- Both sides acknowledged the holding of the **first India-South Africa Business Summit in South Africa in April 2018** and the **Invest in India Business Forum in November 2018**.
- They welcomed the holding of the inaugural meeting of the **Joint Working Group on Trade and Investment (JWGTI)**.
- Indian PM welcomed the participation of the **South African National Defence Force** in the **First Multinational India-Africa Field Training Exercise (IAFTX)**. It will be held in March 2019 at Pune, India.

India – South Africa: In Brief

- India and South Africa enjoy a close and multifaceted **strategic partnership since 1997**, which is underpinned by historic, cultural and economic linkages.
- Several high-level visits have been exchanged in the recent past, including visit of Prime Minister for the BRICS Summit in Johannesburg.
- About **1.5 million Indian Origin People** live in South Africa and form an enduring link.
- Over 150 Indian companies have invested in South Africa employing over 20,000 locals.
- India is among the top five trading partners of South Africa. The **bilateral trade has increased to US \$ 10.65 billion** in 2018-19 from US \$ 9.38 billion in 2017-18.
- Both countries have close cooperation in the areas of vocational training, capacity building etc.
- South Africa was also a **partner country** at the **Vibrant Gujarat 2019** where we also had for the first time an '**Africa Day**.'
- Both countries share a common vision on a range of global issues and closely **cooperate in various multilateral fora**: UN, BRICS, G-20, Commonwealth, IORA and the IBSA.

State Visit of Prime Minister of Norway to India

Syllabus: Effect of policies and politics of developed and developing countries on India's interests

In News

- Prime Minister of Norway, Ms. Erna Solberg paid a State visit to India from 7-9 January, 2019.
- India and Norway enjoy close and multifaceted ties. Economic and technical cooperation are important facets of our bilateral relation.
- More than 100 Norwegian companies have invested in India in areas such as ship-building, petroleum related services, hydropower, clean energy and IT services.

Key Highlights

- The two sides signed **Terms of Reference for the establishment of the Dialogue on Trade and Investment**.
- This would give impetus to business cooperation and encourage participation of Norwegian companies in the flagship programmes of India.
- Both sides have signed the **MoU on India-Norway Ocean Dialogue** and the **establishment of the Joint Task Force** on Blue Economy under aegis of the MoU.
- It will promote multi-sectoral cooperation in various aspects of Blue Economy including sustainable use of the oceans, food security, energy sources, mineral exploration.
- The two leaders applauded the commendable achievements in **maternal and child health care** through the **Norway-India Partnership Initiative (NIPI)** and desired to expand its scope.
- The two sides agreed for collaboration and joint research in climate change. In this context, India invited Norway to participate in the International Solar Alliance.

Pravasi Bharatiya Divas 2019

Syllabus: Indian diaspora.

In News

- 15th Pravasi Bharatiya Divas was celebrated from 21-23 January, 2019 at Varanasi.
- This is the first time that the event was held in Varanasi, Uttar Pradesh.
- 14th PBD was held during 7–9 January 2017 at Bengaluru, Karnataka.

Key Highlights

- The theme 15th Pravasi Bharatiya Divas - '**Role of Indian Diaspora in building New India**'.
- The **Prime Minister of Mauritius**, Mr. Pravind Jugnauth, was the **Chief Guest** of PBD 2019.
- **Mr. Himanshu Gulati**, Member of Parliament of Norway, was the **Special Guest** while **Mr. Kanwaljit Singh Bakshi**, Member of Parliament of New Zealand was the **Guest of Honor** at the 15th edition of PBD.
- The event was jointly organised by the Union Ministry of External Affairs in association with the Uttar Pradesh government.

Why Change of Date

- Each year PBD was celebrated during 7-9 January.
- However, in reverence to the **sentiments of the larger diaspora to participate in Kumbh Mela and Republic Day celebrations**, the 15th PBD Convention was organised from 21 to 23 January 2019 instead of 9th January.

About Pravasi Bharatiya Divas

- The decision to celebrate Pravasi Bharatiya Divas (PBD) was taken by the former Indian Prime Minister, late Shri Atal Bihari Vajpayee.
- The 1st PBD was celebrated on 9th January, 2003 in New Delhi.
- **January 9** was chosen as the day to celebrate PBD as it was on this day in 1915 that Mahatma Gandhi, had returned to India from South Africa.
- PBD now celebrated **once in every two years**, provides a platform to the overseas Indian community to engage with the government and reconnect with their roots.

- During the Convention, Pravasi Bharatiya Samman is conferred on the selected overseas Indians for their significant contributions to various fields both in India and abroad.
- These conventions provide a platform to the overseas Indian community to engage with the government and people of the land of their ancestors for mutually beneficial activities.
- These conventions are also very useful in networking among the overseas Indian community residing in various parts of the world and enable them to share their experiences in various fields.

Pravasi Dividend Pension Scheme

Syllabus: Indian diaspora.

In News

- The Kerala government has approved a dividend pension scheme for its diaspora returnees.
- Under the scheme, regular pension will be given to Non Resident Keralites on a one-time payment of Rs 5 lakh.
- The one-time payment of Rs 5 lakh will be deposited with KIIFB (Kerala Infrastructure Investment Fund Board) for financing infrastructure projects.
- Apart from sparing the state government the **financial burden** of the pension plan, the scheme **targets to channelise these NRI deposits** for developmental projects through the KIIFB and other agencies.

Pravasi Teerth Darshan Yojana

Syllabus: Indian diaspora.

In News

- Prime Minister Narendra Modi recently launched the Pravasi Teerth Darshan Yojana under which a group of Indian diaspora will be taken on a government-sponsored tour of religious places in India twice a year.
- They will be taken to religious places of all major religions in India and the government will bear all the expenses including the airfare from their country of residence.
- All people of Indian-origin aged 45 to 65 can apply and a group will be selected out of them with first preference given to people from 'Girmitiya countries' such as Mauritius, Fiji, Suriname, Guyana, Trinidad and Tobago, and Jamaica.

Girmitiyas

- Girmitiyas or Jahajis are descendants of indentured Indian labourers brought to Fiji, Mauritius, South Africa, East Africa, the Malay Peninsula, Caribbean and South America (Trinidad and Tobago, Guyana and Suriname) to work on sugarcane plantations for the prosperity of the European settlers and save the Fijians from having to work on these plantations and thus to preserve their culture.
- Agreement is the term that has been coined into "Girmit", referring to the "Agreement" of the British Government with the Indian labourers.
- The term Girmitiya was coined by Mahatma Gandhi.

Bill to Remove Pakistan as Major non-NATO Ally

Syllabus: Bilateral, regional and global groupings and agreements.

In News

US lawmaker has introduced legislation in Congress to terminate the designation of Pakistan as a major non-NATO ally.

Key Highlights

- The bill states that for future redesignation, the US President needs to certify to the Congress that Pakistan continues to conduct military operations that are contributing to significantly disrupting the Haqqani Network in the country.
- It also seeks certification from the Congress that Pakistan has taken steps in this regard.
- Also, according to the bill, the US congress will need to certify that Pakistan is actively coordinating with the Government of Afghanistan to restrict the movement of militants, along the Afghanistan-Pakistan border.

About NATO

- Formed in 1949 with the signing of the **Washington Treaty**, NATO is a security alliance of 29 countries from North America and Europe.
- Montenegro is the 29th country to join the alliance in 2017.
- NATO's fundamental goal is to safeguard the Allies' freedom and security by political and military means.
- In addition to its traditional role in the territorial defense of Allied nations, NATO leads the UN-mandated International Security Assistance Force (ISAF) in Afghanistan and has ongoing missions in the Balkans and the Mediterranean.
- **Major non-NATO ally (MNNA)** is a designation given by the United States government to close allies that have strategic working relationships with the US Armed Forces. These are not members of the NATO.
- Although this designation does not automatically include a mutual defence pact with US, it provides a variety of military and financial advantages otherwise unavailable to no-NATO countries.

Guatemala Withdraws From The CICIG Agreement With The United Nations

Syllabus: Bilateral, regional and global groupings and agreements.

In News

- The government of Guatemala has unilaterally terminated the **2006 Agreement with the UN** establishing the **International Commission Against Impunity in Guatemala (CICIG)**.
- Under the agreement, the mandate of the Commission was scheduled to end on 3 September 2019.

Reason For This Step

- The government of Guatemalan has accused the CICIG of polarising the country and putting its security at risk.
- It further accused the CICIG of violating human rights and being allied with criminal structures and "terrorists".

- However, many analysts believe that the step has been taken as the commission was investigating Guatemala's business and political elite, including current President Jimmy Morales and his family.

About CICIG

- The CICIG was formed in 2006 upon the request of the Guatemalan government to combat high rates of impunity for crimes.
- It was ratified by the country's legislative branch in 2007 following a massive police scandal.
- The commission's 2015 corruption investigation in the administration of Otto Perez Molina led to the resignation of the former president, who is currently facing criminal charges.

Henley Passport Index

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- The Henley Passport Index 2019 has been released by Henley & Partners' Group.
- **India** has jumped two positions from 81st in 2018 to **79th in 2019**.

Highlights

- This year's index highlights the general spread of open-door policies, which is a bright spot in an increasingly isolationist world.
- Japan has **retained its top spot** as the world's most travel-friendly passport. It is due to the document's hassle free access to 190 countries.
- **Top five countries** in the index are – Japan (1), Singapore and South Korea (2), France and Germany (3), Denmark, Finland, Italy, Sweden (4), Luxembourg and Spain (5).
- **Bottom five countries** are - Eritrea (99), Yemen (100), Pakistan (102), Somalia, Syria (103) and Afghanistan, Iraq (104).
- China jumped almost 20 places in just two years, from 85th in 2017 to **69th this year**.

Why Indian Passport Ranks Low In The Index

- **General restrictions** by other countries owing to **large Indian population with a history of immigration**.
- **Reciprocity** is also one of the reason as India places visa restrictions on Americans and other European countries.
- **Unfriendly neighbourhood** also forces India to close its doors for the purpose of internal security.
- One should keep in mind that poor rank in the index **does not mean economic backwardness or reputation**. It is simply reflective of the **visa policies adopted by other countries towards that particular country**.

About Henley Passport Index:

- The Henley Passport Index is the measure of global access. Besides providing a simple ranking of passports, it also provides an in-depth picture of travel freedom.
- It also helps us find the answers of questions such as:
 - Which countries one can access with which type of visa, ○
 - How one's passport has changed over the last 14 years

- How one passport compares to other passports,
- Which additional passports would improve your mobility.
- It is the only passport index that is based on International Air Transport Authority (IATA) data. The index includes 199 different passports and 227 different travel destinations.
- It is updated in real time throughout the year, as and when visa policy changes come into effect.

Future of Consumption in Fast-Growth Consumer Market – India

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- **World Economic Forum (WEF)** has released a report titled '**Future of Consumption in Fast-Growth Consumer Market – India**'.
- It lays out seven critical predictions on a vision for consumption in India in 2030 and lays out a call-to-action for multi-stakeholder collaborations to build an inclusive future for India.

Key Highlights Of The Report

- The vision for the future of consumption in India is **anchored in the growth of the upper-middle income and high income segments**.
- This segment will grow from being **one in four households today, to one in two households by 2030**.
- India is expected to emerge as the **third-largest consumer market**, just behind the US and China by 2030.
- Consumer spending in India is expected to grow from 1.5 trillion US dollar at present to six trillion US dollar by 2030.
- Rising income in India will transform the nature of economy. It will ensure a transition from **bottom of the pyramid economy** (refers to the poorest two-thirds of the economic human pyramid) to **middle class-led economy**.
- The growth in the middle class will lift approximately 25 million households out of poverty.
- **Drivers of future consumption in India** - Income growth, Steady and dispersed urbanization, Favourable demographics, Technology and innovation, Evolving consumer attitudes.
- The future consumption growth is expected to come mainly from **rich and densely populated cities** and the thousands of **developed rural towns across** the country.
- However, to ensure a positive future of consumption for all India **will have to overcome many critical challenges**.
- These **challenges include** - *socio-economic inclusion of rural India, skills development and employment of the future workforce, and creating a healthy and sustainable future for its citizens.*

Way Forward To Unlock The Potential

- Unlock consumption through inclusion – voice, video, vernacular and “mobile-first” opportunities
- Innovate for India
- Build transparent, uniform customer experiences
- Embrace partnerships to adapt to value migration
- Ensure agile and entrepreneurial decision-making

Peculiar Structural Strengths of Indian Economy:

- **Domestic consumption driven economy** - Nearly 60% of India's GDP is driven by domestic private consumption, as compared to 40% in China.
- **Healthy savings** - India's households have maintained a high savings share of their income at 22%
- **Working age majority** - With a median age of 28 years, It will continue to remain young up to 2030 with a median age of 31 years

Commonwealth Secretariat Arbitrary Tribunal

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- **Justice A.K. Sikri**, the Supreme Court judge, has **turned down** an offer from the government to **nominate him to the Commonwealth Secretariat Arbitrary Tribunal (CSAT)**.
- Currently, Justice Sikri is the **second senior-most judge** after the Chief Justice of India.
- The job required attending two to three hearing per year and came without emoluments.

About CSAT

- The **London based CSAT** was established to meet the requirements of the **Agreed Memorandum on the Commonwealth Secretariat (1964)**.
- In keeping with the requirements of the Agreed Memorandum, every contract entered into by or on behalf of the Commonwealth Secretariat contains a provision for any dispute arising out of any such contract to be submitted to the CSAT for settlement.
- The statute of the CSAT was adopted first by Commonwealth governments in 1995.
- It requires the **eight-member CSAT** to comprise Commonwealth nationals of **"high moral character" who had held "high judicial office** in a Commonwealth country" or jurists of recognised competence **with not less than 10 years' experience**.
- Their **tenure is four years** with room for one additional term.
- The judgment of the Tribunal is **final and binding** on the parties and is **not subject to appeal**.

Global Solar Council

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- **Shri Pranav R Mehta**, has taken over as the **president of Global Solar Council (GSC)** from January 1, 2019.
- Earlier, he was the chairman of **National Solar Energy Federation**.

About Global Solar Council

- The Global Solar Council (GSC) was launched in December 2015, following the historic United Nations Climate Change Conference (**UN COP 21**).
- It is an international non-profit association of the national, regional and international associations in solar energy and the world's leading corporations.

- It is headquartered in **Washington D.C. USA**.
- It offers programs in regulatory policy, trade policy, new market opening and jobs & skills training.

About National Solar Energy Federation

- **National Solar Energy Federation of India (NSEFI)** is an umbrella organization of all solar energy stakeholders of India.
- NSEFI Covers all activities: Solar PV, solar thermal (Both Small and big) off-grid, Rooftop solar etc.
- It continuously works towards an avowed **goal of Making Solar Energy Affordable for all**.

First-Ever World Braille Day

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- The United Nations has observed the **first official** World Braille Day on January 4, 2019.
- Approximately 1.3 billion people are living with some form of distance or near vision impairment. Hence, this step was taken to **raise awareness of the importance of Braille**.
- Braille provides a **tactical representation of alphabetic and numerical symbols** so blind and partially-sighted people are able to read the same books and periodicals printed as are available in standard text form.
- **Six dots** represent each letter, number, even musical and mathematical symbols, to allow the communication of important written information to ensure competency, independence and equality.
- During the general assembly held in November 2018, it was decided to observe world Braille Day on January 4 every year.
- January 4 is the **birthday of Louis Braille** who is credited for inventing the Braille script.

International Year of the Periodic Table

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- The United Nations has announced **2019 as the International Year of the Periodic Table of the Chemical Elements**.
- The rationale behind this step is to celebrate **150th anniversary** of the first publication of the periodic table.
- UNESCO would organize events to celebrate this occasion.

Key Facts

- The periodic table was first designed by the Russian scientist **Dmitri Ivanovich Mendeleev**.
- Periodic table organizes all chemical elements by the **number of protons** in a given atom and other properties. First such table was **published in 1869**.
- Mendeleev's genius lies in the acknowledgement that at the time, not all the elements were known yet, so he left gaps in the table for undiscovered elements. At that time, only **63 elements had been identified**.
- The discovery of some of these elements in the following years confirmed Mendeleev's predictions.

- **Fifty five elements** have been discovered since Mendeleev's first scheme.
- They were all incorporated to the existing classification according to their atomic mass, having the properties foreseen by the uncomplete table.
- **Element 101** was named **mendelevium to honour Mendeleev's contributions**.
- With the addition of **nihonium, moscovium, tennessine and oganesson**, the periodic table is now complete.

Previous Efforts

- As early as 1789, **Antoine Lavoisier** established a list of 33 elements and tried to classify them according to their properties.
- Scientists like **Alexandre-Émile Béguyer de Chancourtois, John Newlands** and **Julius Lothar Meyer** each proposed a different way to arrange the elements.
- A helix, chart, cylinder and even a spiral were proposed to visualise the arrangement of the elements, but none seemed to be a perfect fit.

About UNESCO

- UNESCO is the **United Nations Educational, Scientific and Cultural Organization**.
- It is a **specialized agency** of UN.
- It seeks to build peace through international cooperation in Education, the Sciences and Culture.
- It is headquartered at Paris, France.

National Statistical Commission

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

The two remaining non-government members of the National Statistical Commission (NSC) have quit the organization.

Key Highlights

- P C Mohanan, who was serving as chairman of NSC, and Delhi School of Economics professor JV Meenakshi has resigned from NSC.
- They resigned over lack involvement in key decisions.
- These decisions included the recently-released gross domestic product (GDP) back series, launch of the new economic census and delay in publishing the employment-unemployment report for 2016-17 despite its approval.
- With this, the NSC has only **two members left**, Niti Aayog CEO **Amitabh Kant** and chief statistician, **Pravin Srivastava**.

About National Statistical Commission

- The Government of India through a resolution in June 2005 set up the National Statistical Commission (NSC).
- The setting up of the NSC followed the decision of the Cabinet to accept the **recommendations of the Rangarajan Commission**, which reviewed the Indian Statistical System in 2001.
- It is mandated to evolve policies, priorities and standards in statistical matters.

- The NSC has **four Members** besides a Chairperson, each having specialization and experience in specified statistical fields.

Global Talent Competitiveness Index 2019

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- The **Global Talent Competitive Index (GTCI) 2019** has been released by **INSEAD business school** in partnership with Tata Communications and Adecco Group. The report has been released on the **first day of the World Economic Forum (WEF) Annual Meeting**.
- Theme of this year's report - "**Entrepreneurial Talent and Global Competitiveness**".
- It measures levels of competitiveness by **looking at 68 variables** such as ease of hiring, gender earnings gap, and prevalence of training in firms. The 2019 index covers 125 national economies and 114 cities (respectively 119 and 90 in 2018) across all groups of income and levels of development.

Key Highlights

- The report reveals that **Switzerland, Singapore and the United States** continue to lead the world in talent competitiveness.
- This year's report has a **special focus on entrepreneurial talent** - how it is being encouraged, nurtured and developed throughout the world and how this affects the relative competitiveness of different economies.
- According to report, the **talent gap** between higher and lower-income countries **has increased** over the last five years, while noting that countries in Asia, Latin America and Africa are seeing a **progressive erosion of their talent base**.
- **Top 5 countries** in the index are – Switzerland (81.82), Singapore (77.27), United States of America (76.64), Norway (74.67), Denmark (73.85).
- **Top 5 cities** in the index are - Washington, DC (United States), Copenhagen (Denmark), Oslo (Norway), Vienna (Austria), Zurich (Switzerland).
- The report reveals that **cities rather than countries are developing stronger roles as talent hubs and will be crucial to reshaping the global talent scene**. This growing importance of cities is due to their greater flexibility and ability to adapt to new trends and patterns – as nimble economic units where policy can be changed more swiftly.

India Specific Observation

- India has been ranked at **80th (81st in 2018) in the index**.
- According to the report, India's biggest challenge is to **improve its ability to attract (ranked at 95th) and retain talent (ranked at 96th)**.
- The report stressed upon the need to address India's **poor level of Internal Openness (116th)** -- in particular with respect to **weak gender equality** and **low tolerances** towards minorities and immigrants and its disappointing showing in lifestyle (112th) indicators.
- Among **BRICS** countries, India remain the laggard of this grouping while China with a rank of 45th tops the grouping.
- However, India performed better than its lower-income peers when it comes to growing talent (48th) and access to growth opportunities (41st).

About the GTCI Index

- The index was launched for the first time 2019. It is an annual benchmarking report that measures the ability of countries to compete for talent.
- The report covers 125 economies and 114 cities.

Arab Economic and Social Development Summit

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- The **fourth Arab Economic and Social Development Summit** was held in Beirut in the Lebanese capital.
- Arab leaders have **agreed a 29-item economic agenda** in addition to **encouraging the safe return of Syrian refugees** to their homeland.
- It is a **summit of Arab League**, held at the **level of Head of States** to address **issues of economic and social development** among member-states.
- Previous summits – 2009 (Kuwait), 2011 (Sharm El-Sheikh), Riyadh (2013), 2015 (Tunis, Cancelled).

Key Highlights

- The 20 countries taking part in the summit issued a joint statement called the **Beirut Declaration**.
- It called for the **establishment of an Arab free trade zone**. It also urged the **international community to support countries** hosting refugees and displaced people.
- A key contribution during the summit was the launch of a **\$200m technology investment fund** across the region by Kuwait's foreign minister.
- The **next summit** will be held in **Mauritania in 2023**.

Controversy

- The summit, though attended by representatives from 20 Arab nations, was soured by the **absence of most Arab heads of state**.
- It was divided over several issues, including the **absence of Syrian delegates**, and a **boycott by Libya**.
- The summit had also been marred by divisions among Lebanese politicians and regional leaders **over the reinstatement of Syria** into the 22-country Arab League.

About Arab League

- The League of Arab States, or Arab League, is a voluntary association of countries whose peoples are mainly Arabic speaking or where Arabic is an official language.
- It has 22 members including Palestine, which the League regards as an independent state.
- The idea of the Arab League was mooted in 1942 by the British, who wanted to rally Arab countries against the Axis powers.
- However, the league did not take **off until March 1945**, just before the end of the Second World War.
- The aim of the league is to strengthen and coordinate the political, cultural, economic, and social programs of its members and to mediate disputes among them or between them and third parties.

The Global Risks Report 2019

Syllabus: Important International institutions, agencies and fora- their structure, mandate.

In News

- The **14th edition of the Global Risks Report**, prepared by the World Economic Forum with the support of Marsh & McLennan Companies and other partners has been released.
- It examines the evolving macro-level risk landscape and highlights major threats that may disrupt the world in 2019 and over the next decade.

Key Findings

- The report has highlighted **five key areas** that demand immediate intervention — **economic vulnerabilities, geopolitical tensions, societal and political strains, environmental fragilities, and technological instabilities.**
 - Top-five risks in **terms of impact** are **weapons of mass destruction; failure of climate-change mitigation and adaptation; extreme weather events, water crises; and major natural disasters.**
 - Top five risks **in terms of Likelihood** are **Extreme weather condition, Failure of climate change mitigation and adaption, Natural disaster, Data theft or fraud, Cyber attacks.**
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