



**VAJIRAM & RAVI**  
Institute for IAS Examination

# The Analyst

**CURRENT AFFAIRS** Handout

**20th January 2026**



# Small tables, big dividends – Diplomatic opportunities



**CONTEXT:** With bilateral diplomacy remaining demanding, India's best chances lie in diplomatic white spaces.

## European Union (FTA)

### Key Challenges for India

- Market access rules
- Data standards
- Sustainability requirements

### What India Stands to Gain

- Enhanced access to European markets
- Integration into reworked global value chains
- Insurance against U.S. trade pressure

### Why the EU Wants the FTA

- De-risking from China
- Hedging against U.S. unpredictability
- Strategic partnership with a large, stable market

## BRICS

### Core Issue:

**Expanded Membership, Differentiated Priorities** – Expansion has increased BRICS' size but **reduced coherence**.

**What BRICS Members Want**

- **Stronger Global South voice** in global governance
- **Fairer representation** in IMF, World Bank, UN institutions
- **Credible alternatives in development finance** (less conditional, more accessible)

### What India Can Do (As Chair, 2026)

- Shift BRICS from **declarations to delivery**

- Use **New Development Bank (NDB)** more effectively by:
  - Expanding guarantees
  - Supporting bankable infrastructure and development projects
  - Introduce **practical toolkits** to implement summit decisions

**Word of Caution for India**

- Avoid BRICS drifting into: **Anti-West rhetoric**, or **Aggressive de-dollarisation agenda**

## QUAD (Quadrilateral Security Dialogue)

- **What Littoral states want** – Capacity without being drawn into great power rivalries
- **Options for India** – It can make the Quad useful by turning capabilities into services that others can access.

- The Quad's **agenda on maritime domain awareness and resilient ports**

- **Challenges – USA** – Trade differences with partners vs broader cooperation.

## Challenges of Traditional Multilateralism

### 1. Decision-Making Paralysis

### 2. Geopolitical Polarisation

### 3. Weak Delivery Capacity



**CONTEXT:** With bilateral diplomacy remaining demanding, India's best chances lie in diplomatic white spaces.

## 4. Declining Representation and Credibility

### Minilateral and Coalition-Based Diplomacy

1. Faster Decision-Making and Flexibility
2. Issue-Based Cooperation
3. Delivery of Global Public Goods
4. Strategic Autonomy Through Multi-Alignment

### Challenges Associated with Minilateral Diplomacy

1. **Exclusionary Risks** - Non-members may perceive Minilateral as elite or divisive.
2. **Overlapping and Fragmented Institutions** - Proliferation of forums can dilute coherence.
3. **Risk of Great-Power Pressure** - Participation may attract economic or strategic retaliation.
4. **Limited Legitimacy Compared to Multilateral Forums** - Minilateral lack universal representation and legal authority.

All this underlines a hard truth about large forums. The United Nations remains essential for legitimacy and norm-setting, but it is a weak instrument for delivery when major powers are at odds. Outcomes are shifting to coalitions that can move even when the centre cannot.

The G-20 shows the same strain. In theory, it is the premier table for economic coordination. In practice, it is increasingly exposed to domestic politics and agenda fights. The U.S. boycott of the Johannesburg G-20 summit in 2025 and the push to narrow the agenda under the U.S. presidency in 2026 could sideline Global South priorities and make the forum feel less inclusive.

Amid global volatility, India's momentum in 2026 will come from turning white spaces into working arrangements. Europe is about standards, BRICS is about functionality, and the Quad is about public goods.

## Way Forward: Making Minilateralism Work Without Weakening Multilateralism

1. **Adopt a Complementarity Approach** - Use multilateral forums for legitimacy and norm-setting, deploy Minilateral coalitions for implementation and delivery.
2. **Prioritise Function Over Form** - Limit participation to coalitions where India can deliver capabilities, not just attend summits.
3. **Keep Coalitions Open and Modular** - Design coalitions that allow issue-based entry and exit, reducing exclusion concerns.
4. **Balance Strategic Signalling with Economic Interests** - Avoid ideological positioning that risks trade retaliation or technology denial. Emphasise reformist, problem-solving narratives over bloc politics.
6. **Institutionalise Delivery Mechanisms** - Move beyond joint statements to: Financing tools, Timelines, Measurable outcomes
7. **Maintain Strategic Autonomy as a Method, Not a Slogan**  
Treat strategic autonomy as the ability to choose partnerships issue-wise, not equidistance from all powers.



# Small tables, big dividends – Diplomatic opportunities



**CONTEXT:** With bilateral diplomacy remaining demanding, India's best chances lie in diplomatic white spaces.

## The message for India

The AI Impact Summit in Delhi (February 2026) is India's chance to get governments, companies and researchers together to bridge differences where interests overlap. As Washington experiments with new forums, including Mr. Trump's proposed 'Board of Peace' that is focused on peace building, Delhi will need to choose carefully. An invitation for India to join Pax Silica, a U.S.-led capability club for Artificial Intelligence and semiconductor supply chains, is reportedly in the works and shows how fast these new tables are multiplying.

In a divided world, it is rarely the biggest table that shapes the future. It is the smaller tables where things actually get done. In 2026, India's advantage will lie in making the tables that it chooses work.

## Mains Practice Question

*Q. Evolving geopolitical realities have given impetus to the Minilateral and coalition-based diplomacy rather than traditional multilateral forums. Examine while highlighting how India can leverage such platforms to advance its strategic and economic interests without undermining multilateral institutions. ( 15 Marks / 250 words)*



# Digitised SIR 2.0 verification



**CONTEXT:** SIR 2.0, aimed at updating electoral rolls, has caused confusion and distress among voters. Despite the ECINet's ability to handle data entry, the process has relied heavily on paper-based forms, summons, and hearings

## Arguments in Favour of SIR 2.0

1. Improving Electoral Roll Accuracy
2. Addressing Legacy Errors
3. Use of Digital Infrastructure to reduce human discretion and manipulation
4. Preventing Electoral Malpractices
5. Long-Term Administrative Benefits

### 1. Digital Capacity vs Ground Reality

- **ECINet supports:**
  - Data verification
  - Cross-checks
  - Audit trails
- **Yet the process relies on:**
  - Paper forms
  - Physical hearings
  - Short-notice summons

### 2. Reversal of Accountability

- **Errors originate from:**
  - Defective 2002–04 rolls
  - Legacy data inconsistencies
- **Burden placed on:**
  - Elderly citizens
  - Retired officials
  - Monks and professionals

### 3. Population and Identity Issues

- **Non-mapped voters** include:
  - Migrants
  - Urban renters
  - Religious renunciates (monks)

### • Highlights limits of:

- Static residence-based identity
- Legacy family-name based verification

### 4. Risk of Exclusion and

**Disenfranchisement – (UP-SIR roll lists 12.56 crore voters. Vs Panchayat SIR records 12.69 crore voters in rural areas alone )**

### 5. Legal and Ethical Concerns

- Use of Form 6 forces voters to declare: "Never enrolled earlier"
- Exposure to criminal liability under BNS, 2023.

### Way Forward

#### 1. Digital-by-Default, Assisted-on-Demand

- Mandatory use of ECINet's for verification
- BLOs as facilitators, not adjudicators

#### 2. Decouple Legacy Errors from Citizen Liability

- Automatic restoration for voters deleted due to system faults
- No criminal exposure for correction filings

#### 3. Inclusive Identity Frameworks

Recognise:

- Migration
- Non-traditional households
- Institutional residents (monks, students, elderly)

#### 4. Transparency and Communication

- Real-time EF status via SMS/email
- Clear SOPs published in advance



# Digitised SIR 2.0 verification

**CONTEXT:** SIR 2.0, aimed at updating electoral rolls, has caused confusion and distress among voters. Despite the ECINet's ability to handle data entry, the process has relied heavily on paper-based forms, summons, and hearings

## Mains Practice Question

*Q. Examine the concerns raised regarding SIR 2.0 and suggest measures to ensure that the exercise strengthens electoral inclusion rather than voter exclusion. (150 words / 10 Marks)*



**SYLLABUS:** GS 2: International Relations

**Newspaper:** The Indian Express; **Page Number:** 17

## What is the Board of Peace?

In September last year, US President Donald Trump had proposed a 20-point peace plan for Gaza. Under it, Gaza was to be put under a “temporary transitional governance” of a “technocratic, apolitical Palestinian committee”, responsible for delivering the day-to-day running of public services.

This committee was to be supervised by a new international body, the “Board of Peace,” to be headed by Trump. Even then, many had pointed out that this effectively put the US President in charge of Gaza.

The peace plan, and the Board of Peace as then envisioned, had received the United Nations’ approval.

However, the ‘charter’ of the Board of Peace, which has now been sent to the leaders invited to join it, shows a far more ambitious role for the Board, under the chairmanship of Trump personally, and not the US President.

Invitations for membership have been sent to countries across the conventional geopolitical camps — Hungary, Albania, Greece, Poland, Belarus, Germany, Canada, Turkey, Cyprus, Egypt, Jordan, Uzbekistan, Kazakhstan, Paraguay, and Argentina, and Pakistan are among those who have received letters.

The countries who accept will get a tenure of three years, unless they pay \$1 billion in cash in the first year of membership, in which case they become permanent members.

## The many questions about this Board of Peace

The original mandate of the Board of Peace, as approved by the UN in November 2025, was to operate till the end of 2027, and neither a three-year membership nor a permanent membership were in the picture. Also, it was to operate only in Gaza.

But the invitation letter sent to India and posted on X by US ambassador Sergio Gor says the Board of Peace, “the most impressive and consequential Board ever assembled”, will be “established as a new International Organization and Transitional Governing Administration”, and that the effort is not just to “solidify Peace in the Middle East”, but also “to embark on a bold new approach to resolving Global Conflict”

The full text of the charter, as verified and put out by the *Times of Israel*, shows it has 13 Articles, complete with details of membership, contributions, dispute redressal, etc, almost like the United Nations. The charter does not even mention Gaza, but talks of “the courage to depart from ap-

Trump’s disdain for the UN and other established international organisations is no secret. He has cut funds to the UN and withdrawn the US from many related bodies. Also, the charter says the Board will work to “secure enduring peace” in areas not just affected by, but also “threatened by conflict”, without defining “threatened”.



# Gaza Board of Peace

**SYLLABUS:** GS 2: International Relations

**Newspaper:** The Indian Express; **Page Number:** 17

Then there is the matter of the Board's chairman. The charter says: "Donald J. Trump shall serve as inaugural Chairman of the Board of Peace, and he shall separately serve as inaugural representative of the United States of America." Also, the chairman can be removed only if he voluntarily resigns, or is voted incapable unanimously by the Executive Board full of his appointees, in which case a successor designated by him shall take over.

To get the membership, a country has to consent "to be bound by this Charter."

## New panels set up for Gaza

With respect to other aspects of the Gaza peace plan, the White House last week announced the formation of the National Committee for the Administration of Gaza (NCAG), to be led by the Gaza-born technocrat Dr. Ali Sha'ath.

The NCAG will "oversee the restoration of core public services, the rebuilding of civil institutions, and the stabilisation of daily life in Gaza, while laying the foundation for long-term, self-sustaining governance," the White House release said.

Bulgarian diplomat Nickolay Mladenov will serve as the High Representative for Gaza, and will "act as the on-the-ground link between the Board of Peace and the NCAG."

In addition, to support the High Representative and the NCAG, there is a Gaza Executive Board. Witkoff, Kushner, Blair, Mladenov, and Rowan are on this too, along with Hakan Fidan, Turkey's foreign minister; Qatari official Ali Al-Thawadi; Egyptian military officer General Hassan Rashad; Emirati politician Reem Al-Hashimy; Cypriot-Israeli businessman Yakir Gabay; and Dutch politician Sigrid Kaag. While no Palestinian is on this board, Israel too is unhappy with it, reportedly over the inclusion of figures from Qatar and Turkey.



# Gaza Board of Peace



**SYLLABUS:** GS 2: International Relations

**Newspaper:** The Indian Express; **Page Number:** 17

## CSE – 2015

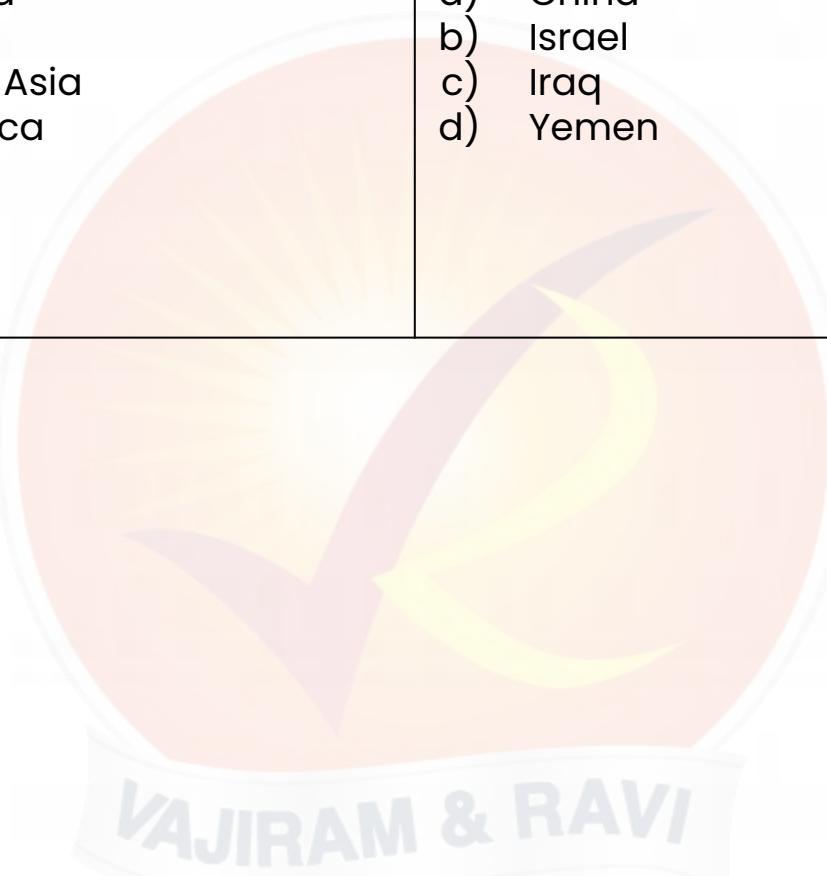
**Q. The area known as 'Golan Heights' sometimes appears in the news in the context of the events related to**

- a) Central Asia
- b) Middle East
- c) South-East Asia
- d) Central Africa

## CSE – 2018

**Q. The term "two-state solution" is sometimes mentioned in the news in the context of the affairs of**

- a) China
- b) Israel
- c) Iraq
- d) Yemen



**SYLLABUS:** Prelims: RBI initiatives

**Newspaper:** The Hindu; **Page Number:** 01

## Reuters

MUMBAI/NEW DELHI

The Reserve Bank of India (RBI) has recommended to the Centre that a proposal connecting the central bank digital currencies (CBDCs) of BRICS countries be included on the agenda for the 2026 summit of the grouping, two sources have said. They requested anonymity as they were not authorised to speak publicly.

The proposal seeks to make cross-border payments easier, in a move that could reduce reliance on the U.S. dollar as geopolitical tensions rise. The RBI's recommendation builds on a 2025 declaration at the BRICS summit in Brazil, which pushed for interoperability between members' payment systems to make cross-border transactions more efficient.

## Ease of payment

If the proposal is accepted, a plan to link digital currencies will be put forward at the 2026 BRICS summit in India

■ The move could reduce reliance on the U.S. dollar as geopolitical tensions rise

■ While none of the BRICS members have fully launched their digital currencies, all five main members have been running pilot projects



■ India's digital currency - e-rupee - has attracted a total of 7 million retail users since its launch in December 2022

## About e-rupee:

- **Digital currency** issued by the RBI.
- **Launched on a pilot basis in 2022** (select group of public and private banks in a few major cities)
- **Availability** - Entirely in electronic form and does not leave a computer network.
- It is like **banknotes issued by the RBI** and is a **legal tender** that can be used to make transactions.
- The digital rupee in user's wallets **does not attract interest payments** from the central bank.
- Deposits held in banks **can be converted into digital rupees and vice versa for ease of use.**

53. Consider the following statements in respect of the digital rupee :

1. It is a sovereign currency issued by the Reserve Bank of India (RBI) in alignment with its monetary policy.
2. It appears as a liability on the RBI's balance sheet.
3. It is insured against inflation by its very design.
4. It is freely convertible against commercial bank money and cash.

Which of the statements given above are correct ?

(a) 1 and 2 only  
(b) 1 and 3 only  
(c) 2 and 4 only  
(d) 1, 2 and 4



# India's Growth Projection – IMF



**SYLLABUS:** Prelims: International Organisation; Indian Economy

**Newspaper:** The Hindu; **Page Number:** 10

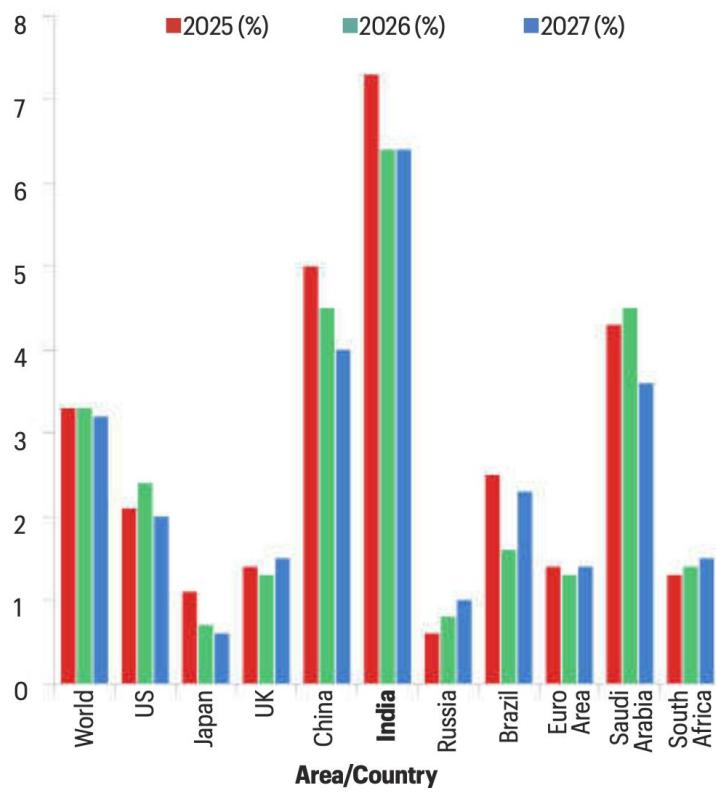
## The Hindu Bureau

NEW DELHI

The International Monetary Fund (IMF) has revised upwards its estimate of India's Gross Domestic Product (GDP) growth in the current financial year 2025-26 to 7.3% from its earlier prediction of 6.6%.

This upward revision, the IMF said in its January 2026 World Economic Outlook update released on Monday, was primarily a reflection of stronger-than-expected growth in the third quarter, and "strong momentum" in the fourth quarter of the financial year. "In India, growth is revised upward by 0.7 percentage point to 7.3% for 2025 [FY 2025-26], reflecting the better-than-expected outturn in the third quarter of the year and strong momentum in the fourth quarter," the report said. "Growth is projected to moderate to 6.4% in 2026 and 2027 as cyclical and temporary factors wane," it added.

## • INDIA REMAINS WORLD'S FASTEST GROWING LARGEST ECONOMY



# India's Growth Projection – IMF



**SYLLABUS:** Prelims: International Organisation; Indian Economy

**Newspaper:** The Hindu; **Page Number:** 10

- **Established – 1945**
- **Objective** – To promote international economic cooperation and financial stability.
- **Founded** after the **Bretton Woods Conference (1944)**.
- **Membership** – Comprises 191 nations (India is a founder member)
- It is a **United Nations specialised agency**.
- **Headquarters:** Washington, D.C
- **Reports**
  1. **World Economic Outlook Report:** It is published twice a year. It analyses global economic developments.
  2. **Global Financial Stability Report:** It assesses the global financial system and markets.
  3. **Fiscal Monitor Report:** It is prepared twice a year by the IMF's Fiscal Affairs Department. It provides an overview of the latest public finance developments.
  4. **External Sector Report:** It evaluates global external developments

## Governance Structure

### **Board of Governors:**

- The highest decision-making body of the IMF
- Meets annually to approve quota increases and SDR allocations, admit new members, and compel member withdrawals.
- Each member country has one governor and one alternate governor.
- The Finance Minister of India is an ex-officio Governor, with the RBI Governor as the Alternate Governor.

### **International Monetary and Financial Committee (IMFC):**

- IMFC advises the Board of Governors on matters related to the management of the international monetary and financial system.
- It has 24 members drawn from the governors.

### **Executive Board:**

- They are responsible for conducting the day-to-day business and work closely with the Managing Director



**SYLLABUS:** Prelims: Places in News

**Newspaper:** The Hindu; **Page Number:** 06

## Fractured Yemen

**Saudi Arabia and the UAE must help all Yemeni factions come together**

The flare-up in fighting between Yemen's Saudi-backed government and the Southern Transitional Council (STC), a separatist force backed by the UAE, has exposed the country's internal vulnerabilities and the Persian Gulf region's geopolitical fault lines. The crisis escalated in early December when the Aden-based STC launched a surprise offensive in the oil-rich Hadhramaut and al-Mahra governorates, which were under government control. It gained control of nearly half of the former South Yemen state, but the advances were short-lived. Government forces, covered by Saudi air power, swiftly recaptured the lost areas. On January 7, government forces entered Aden, forcing the STC to send a delegation to Riyadh for talks. In the Saudi capital, the STC announced its dissolution, while its leader, Aidarus al-Zoubaidi, who has been charged with treason, is believed to have fled to the UAE. The crisis also brought Saudi-UAE tensions into the open. Riyadh accused Abu Dhabi of transferring weapons to Yemeni separatists, and carried out air strikes on the port of Mukalla, reportedly targeting arms shipments. Following a rare public rebuke from Saudi Arabia, the UAE announced its withdrawal of forces from Yemen and an end to its "counterterrorism operations".

The UAE was a part of Saudi Arabia's military coalition when it began bombing the Houthis (Ansar Allah), the Shia militia that captured Sanaa, Yemen's capital, in 2014. But the years-long war did little to defeat the Houthis. The Saudi-backed government operated from Aden in the south, until the STC began challenging it. The UAE then began support to the STC. Saudi Arabia, facing a direct security threat from the Houthis along its southern borders, entered into a ceasefire with the group, and sought to stabilise southern Yemen through the government. Yet, Riyadh grew increasingly alarmed by the expanding military power and defiance of the separatists. As government forces and the STC fought for influence in the south, the Houthis entrenched their position in the north, encompassing key population centres. The true victims of this multi-layered conflict, however, have been Yemen's civilians. The country faces one of the world's worst humanitarian crises, with millions on the brink of famine, an economy in ruins and devastated infrastructure. For now, an uneasy calm prevails in the south. But STC representatives in the UAE have dismissed claims that the council has been disbanded. For peace to take hold, all Yemeni factions must together establish a federal governance structure, addressing present power dynamics and historical grievances. For this to happen, Saudi Arabia and the UAE must bury the hatchet and work jointly for stability in their impoverished neighbouring country.

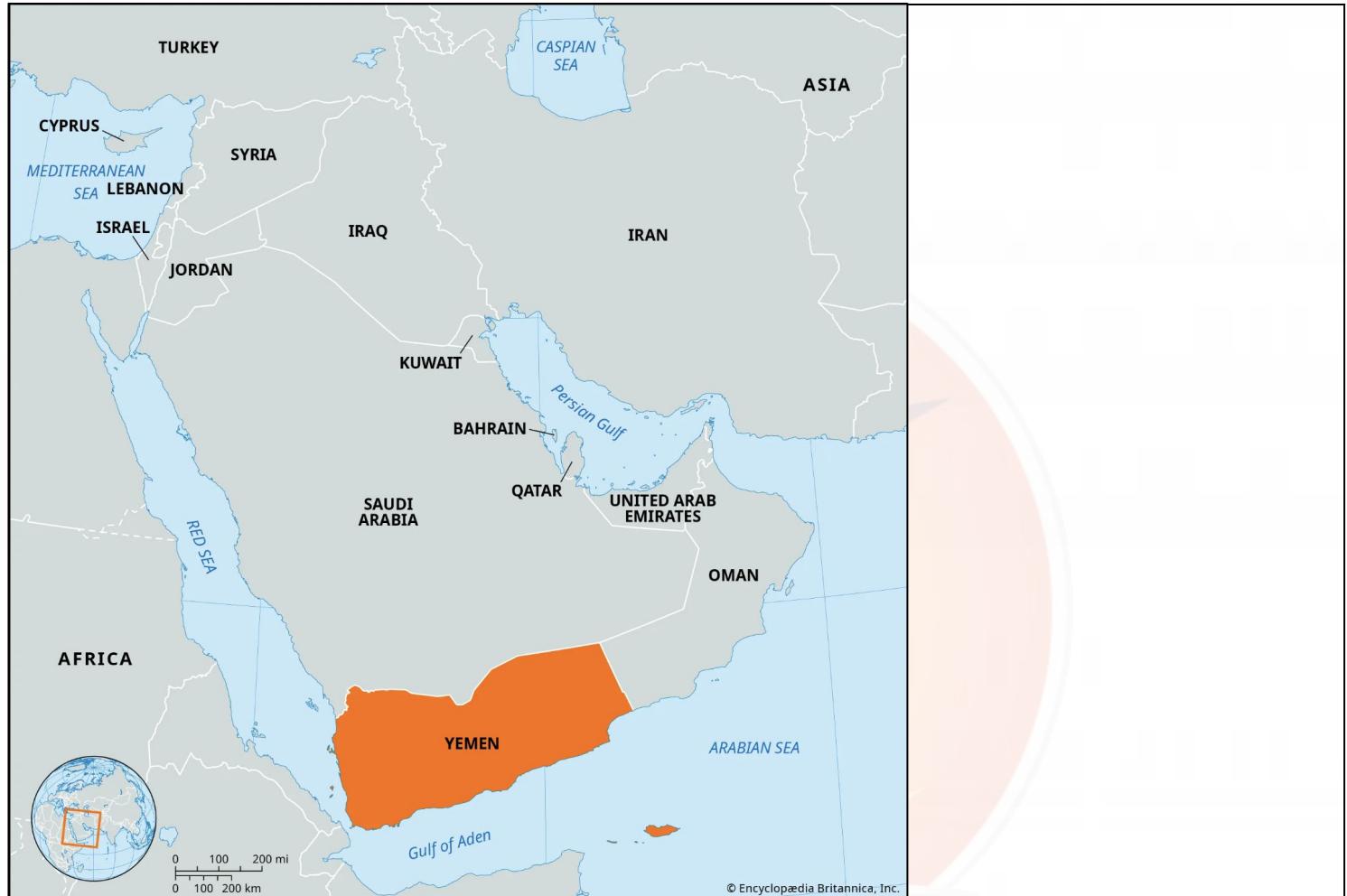


# Fractured Yemen



**SYLLABUS:** Prelims: Places in News

**Newspaper:** The Hindu; **Page Number:** 06



# Saltwater Crocodile



**SYLLABUS:** Prelims: Species in News

**Newspaper:** The Hindu; **Page Number:** 03

## Saltwater Crocodile

- **Global Distribution** - Indo-Pacific region, Eastern India, Sri Lanka, Southeast Asia (Myanmar, Indonesia), Northern Australia, Papua New Guinea
- **Indian Distribution - Odisha:** Bhitarkanika mangroves (largest population in India); **West Bengal:** Sundarbans; **Andaman & Nicobar Islands**
- **IUCN Status - Least Concern (LC)**



## Mugger / Marsh Crocodile

- **Habitat:** Freshwater rivers; Lakes, reservoirs, ponds
- **Distribution in India:** Widespread across mainland India
- **IUCN Status: Vulnerable (VU)**



## Gharial

- **Habitat:** Deep, fast-flowing freshwater rivers, Sandy riverbanks for nesting
- **Distribution in India:** Chambal, Girwa (Katarniaghata), Son, Gandak rivers
- **IUCN Status: Critically Endangered (CR)**



**Q1. Consider the following statements:**

1. The Gaza Strip shares its southern border with Egypt.
2. The West Bank lies to the west of Israel and borders Jordan.
3. Israel shares a direct land border with the Gaza Strip on all sides.

**How many of the statements given above is/are correct?**

- a) Only One
- b) Only Two
- c) All Three
- d) None

**Answer:** a

**Q2. Regarding e-rupee in India, consider the following statements:**

1. The e-rupee is a digital form of legal tender issued by the Reserve Bank of India.
2. Transactions using the e-rupee necessarily require an active internet connection.
3. The e-rupee does not carry any credit risk for its holder.

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

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

**Answer:** c

**Q3. Regarding the International Monetary Fund (IMF), consider the following statements:**

1. IMF quota determines a member country's voting power and access to IMF resources.
2. IMF lending is aimed at addressing balance of payments difficulties of member countries.

1. IMF finances long-term infrastructure projects in developing countries.

**Which of the statements given above are correct?**

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

**Answer:** d

**Q4. Regarding the conflict in Yemen, consider the following statements:**

1. The Bab el-Mandeb Strait connects the Red Sea with the Gulf of Aden.
2. The Houthis primarily operate from eastern Yemen bordering Oman.
3. Yemen lies at the crossroads of major maritime trade routes linking Europe with the Atlantic Ocean.

**How many of the statements given above is/are correct?**

- a) Only One
- b) Only Two
- c) All Three
- d) None

**Answer:** b

**Q5. Consider the following statements:**

1. The Saltwater Crocodile is primarily found in coastal and estuarine regions of eastern India.
2. The Mugger (Marsh Crocodile) is restricted to freshwater river systems.
3. The Gharial is highly adapted to fish-eating due to its long, narrow snout.

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

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

**Answer:** a





# **VAJIRAM & RAVI**

## **Institute for IAS Examination**

A unit of Vajiram & Ravi IAS Study Centre LLP

---

9-B, Bada Bazar Marg, Old Rajinder Nagar,  
New Delhi - 110060 • Ph.: 41007400, 41007500

New No. 62, P Block, 6th Avenue, Anna Nagar,  
Chennai - 600040 • Ph.: 044-4330-2121

Visit us at : [www.vajiramandravi.com](http://www.vajiramandravi.com)