

03 July 2019: PIB Summary & Analysis

Cabinet approves MoU between India and Maldives

Context

- The Union Cabinet has given ex-post facto approval for the MoU between India and Maldives for the establishment of passenger and cargo services by sea
- The Union Cabinet has given ex-post-facto approval to the Memorandum of Understanding (MoU) between the Government of the Republic of India and the Government of the Republic of Maldives on cooperation in the field of Health.

About MOU for services by sea

- Male, the capital and most populous city and Kulhudhuffushi, the third most populous city of Maldives are good prospects for introduction of ferry service from Kochi for both tourists as well as cargo.
- Kulhudhuffushi and the islands around are a major population centre in the northern part of Maldives and have a large number of resorts which could be possible tourist destinations for Indians.
- On the other hand, connectivity with Kochi through sea could promote inbound tourism, particularly health and wellness tourism for India.

About MOU in Health sector

- Exchange & Training of medical doctors, officials, other health professionals and experts;
- Medical and health research development;
- Regulation of medicines and medical products, and exchange of information thereon;
- Communicable and Non-Communicable diseases;
- E-Health and Telemedicine; and
- Any other area of cooperation as may be mutually decided upon.

MoU of Cooperation between India and Morocco

- Union Cabinet chaired by Prime Minister Narendra Modi has approved the MoU between India and Morocco for developing, promoting and strengthening mutual

cooperation between the judiciaries of the two countries.

- The approval will promote cooperation between India and Morocco in judicial and other legal areas and enable exchange of knowledge in infrastructure and information technology.

Reduction in Tobacco Production in India

Context

- Every year, Tobacco Board lays down the production policy and fixes crop size for Andhra Pradesh and Karnataka separately.

Steps to reduce Flue Cured Virginia (FCV) tobacco production:

- The Board had resolved that there shall be a gradual phase out of tobacco cultivation. The reduction shall be gradual and uniform in both Andhra Pradesh and Karnataka without affecting the farmers' interests.
- Tobacco Board is not granting registration to new growers and not issuing any licenses for construction of new barns, creating additional curing infrastructure and no expanding FCV tobacco cultivation in new areas and thereby restricting horizontal expansion of tobacco.
- Board has been advising the bankers and co-operative societies not to finance for unauthorised construction of barns/unauthorised cultivation by registered growers.
- To discourage excess and unauthorized production, Government of India, under the Tobacco Board Act, 1975, permits sale of excess and unauthorized tobacco on the auction platform subject to levy of penalties.
- Tobacco Board is working continuously in collaboration with the Central Tobacco Research Institute (CTRI) to provide economically sustainable alternatives to tobacco growing farmers.
- Tobacco Board in co-ordination with State Agricultural Department of Andhra Pradesh and Karnataka is creating awareness about the scheme of Crop Diversification Programmes (CDP) under Rashtriya Krishi Vikas Yojana (R.K.V.Y).

Risk of Non-Realisation of Export Proceeds

Context

The Central Government has an undertaking known as “ECGC Limited” under the control of Department of Commerce, Ministry of Commerce & Industry, to support the Indian exporters and bankers

About ECGC

- ECGC Ltd. (Formerly Export Credit Guarantee Corporation of India Ltd.), wholly owned by Government of India, was set up in 1957 with the objective of promoting exports from the country by providing Credit Risk Insurance and related services for exports.
- It functions under the administrative control of Ministry of Commerce & Industry, and is managed by a Board of Directors comprising representatives of the Government, Reserve Bank of India, banking, and insurance and exporting community.

What does ECGC do?

- Provides a range of credit risk insurance covers to exporters against loss in export of goods and services
- Offers Export Credit Insurance covers to banks and financial institutions to enable exporters to obtain better facilities from them
- Provides Overseas Investment Insurance to Indian companies investing in joint ventures abroad in the form of equity or loan

How does ECGC help exporters?

- ECGC Offers insurance protection to exporters against payment risks.
- Provides guidance in export-related activities.
- Makes available information on different countries with its own credit ratings.
- Makes it easy to obtain export finance from banks/financial institutions.
- Assists exporters in recovering bad debts.
- Provides information on credit-worthiness of overseas buyers.

Import and Export from Agricultural Sector

Context

- To promote the agricultural exports, The Government has introduced a comprehensive Agriculture Export Policy

Objectives of the Agriculture Export policy

- To diversify our export basket, destinations and boost high value and value-added agricultural exports, including focus on perishables.
- To promote novel, indigenous, organic, ethnic, traditional and non-traditional Agri products exports.
- To provide an institutional mechanism for pursuing market access, tackling barriers and dealing with sanitary and phytosanitary issues.
- To strive to double India's share in world agri exports by integrating with global value chains.
- Enable farmers to get benefit of export opportunities in overseas market.

Pension Coverage to Trading Community

Context

- As per Indian Brand Equity Foundation (IBEF) analysis, 2019, retail industry contributes 10 per cent to the country's Gross Domestic Product (GDP) and around 8 per cent to employment.
- The Government has approved a pension scheme for shopkeeper's/ retail traders and self-employed persons for providing monthly minimum assured pension of ₹3000/- for the entry age group of 18-40 years.

Features of the scheme

- (i) All shopkeepers/retail-traders/ self-employed persons in the age group of 18-40 years are eligible to be the member, on self-declaration.
- (ii) A shop keeper/ retail-trader /self-employed person if registered with GSTN, his/ her

firm's annual turnover should not exceed ₹1.5 crore.

- (iii) He/she should not be an income tax payee.
- (iv) He/she should not be a member of EPFO/ESIC/NPS/PM-SYM.
- (v) The Central Government's share will be matching to the subscriber's contribution.

Status of Technology Hubs

Context

- Technology Development Programmes (TDP): Department of Science and Technology has been implementing Technology Development Programmes (TDP) to facilitate conversion of proof-of-concepts for into advance prototypes for validation and demonstration.

Technology Development Programmes (TDP)

- The main objectives of the program include:
 - Support R&D for development of innovative technologies in identified areas.
 - Promote application of advanced technology for improving the performance and value addition to existing technology.
 - Capacity building in the area of technology development in terms of human resource and infra-structure.
- Sub schemes of TDP are:
 - Advanced Manufacturing Technologies (AMT) aligning to Make in India
 - Biomedical Device and Technology Development Program (BDTD) aligning to Swasth Bharat
 - Device Development Program (DDP) aligning to Make in India
 - Science and Heritage Research Initiative (SHRI)
 - Technology Development Program (TDP) aligning to Make in India
 - Technology Mission for Indian Railways (TMIR) aligning to Make in India
 - Waste Management Technologies (WMT) aligning to Swachh Bharat and Smart City

Defence Production Infrastructure

Context

- Capital procurement of defence equipment is undertaken from various domestic as well as foreign vendors as per extant Defence Procurement Procedure (DPP).

Government has taken various steps for defense production under Make in India

Steps taken by the government

- Defence Production in India is led by Ordnance Factories and Defence Public Sector Undertakings which have played a huge role in making our country a defence production hub.
- Industrial Licenses are issued for manufacturing of tanks and other armoured fighting vehicles, defence aircraft, space craft and parts thereof, warship, arms and ammunition and allied items of defence equipment, parts and accessories thereof.
- An innovation ecosystem for Defence titled Innovations for Defence Excellence (iDEX) has been launched in April, 2018.
- iDEX is aimed at creation of an ecosystem to foster innovation and technology development in Defence and Aerospace by engaging Industries including MSMEs, Start-ups, Individual Innovators, R&D institutes and Academia
- Also provide them grants/funding and other support to carry out R&D which has potential for future adoption for Indian defence and aerospace needs.
- In order to expand the manufacturing infrastructure, Government has decided to establish two defence industrial corridors to serve as an engine of economic development and growth of defence industrial base in the country.
- Defence Procurement Procedure (DPP) has been revised in 2016 wherein specific provisions have been introduced for stimulating growth of the domestic defence industry.
- A new category of procurement 'Buy {Indian-IDDM (Indigenously Designed, Developed and Manufactured)}' has been introduced in DPP-2016 to promote indigenous design and development of defence equipment.
- The 'Make' Procedure has been simplified with provisions for funding of 90% of development cost by the Government to Indian industry and reserving projects not exceeding development cost of Rs.10 Crore
- FDI Policy has been revised and under the revised policy, FDI is allowed under automatic route upto 49% and beyond 49% through Government route wherever it is likely to result in access to modern technology or for other reasons to be recorded.

Removal of corrupt officials

Context

- Government has taken various actions against corrupt bureaucrats, recently many senior officers were forced to retire.

About the provision for government action

- As per the applicable Disciplinary Rules, Government has the right to proceed against the corrupt officials on the basis of available evidence.
- The Government also, has the absolute right to retire Government officials prematurely on the ground of lack of integrity and ineffectiveness, in public interest as per the provisions of Fundamental Rules (FR) of Central Civil Services (CCS) (Pension) Rules
- These rules lay down the policy of periodic review and premature retirement of Government servants, which is a continuous process.

MoU signed between UPSC and Civil Service Council of Mongolia

Context

- A Memorandum of Understanding (MoU) has been signed between the Union Public Service Commission (UPSC) and the Civil Service Council of Mongolia

About MOU

- The MoU primarily aims to facilitate sharing and promoting best practices through bilateral exchanges.
- The areas of cooperation include:
 - Exchange of experience in use of Information Technology in examination processes,
 - Modern approach to public service reforms,
 - Exchange of resource persons for conducting specialised training programs,

- Seminars or workshops in areas of mutual interest.

