

19 Oct 2020: PIB Summary & Analysis

1. India-Oman Joint Commission

Context:

9th session of India-Oman Joint Commission virtual meeting held.

Details:

- The meeting was attended by representatives of various government departments/ministries from both sides.
- During the meeting, both sides reviewed the recent developments in trade and investment ties and reaffirmed their commitment to expand the bilateral trade and encourage businesses to invest in each other's country in order to realize the untapped potential in the commercial and economic relationship.
- Both sides, among other things, agreed to cooperate in areas of agriculture & food security, standards & metrology, tourism, information technology, health & pharmaceuticals, MSMEs, space, civil aviation, energy including renewable energy, culture, mining, and higher education.
- The Indian side appreciated Oman for signing and ratification of the [International Solar Alliance \(ISA\)](#) Framework Agreement.

India – Oman Economic Ties:

- India is among Oman's top trading partners.
- For Oman, India was the 3rd largest source for its imports and 3rd largest market for its non-oil exports.
- Bilateral trade between India and Oman grew at 8.5% in 2019-20 over the previous year to reach USD 5.93 billion.
- While India's exports to Oman were valued at USD 2.26 billion, India's imports from Oman amounted to USD 3.67 billion in 2019-2020.
- Indian firms have invested heavily in Oman in various sectors like iron and steel, cement, fertilizers, textile, cables, chemicals, automotive, etc.
- There are over 4100 Indian enterprises and establishments in Oman with an estimated investment of US\$ 7.5 billion.
- Cumulative [FDI](#) equity inflows from Oman to India during the period April 2000-June 2020 amounted to USD 535.07 million.

2. International Financial Services Centres Authority (IFSCA)

Context:

IFSCA introduces a framework for regulatory Sandbox to tap into innovative FinTech solutions.

Details:

- IFSCA has introduced a framework for "Regulatory Sandbox".
- Under this Sandbox framework, entities operating in the capital market, banking, insurance and financial services space shall be granted certain facilities and flexibilities to experiment with

innovative FinTech solutions in a live environment with a limited set of real customers for a limited time frame.

- These features shall be fortified with necessary safeguards for investor protection and risk mitigation.
- The Regulatory Sandbox shall operate within the IFSC located at GIFT City (Gandhinagar, Gujarat).
- IFSCA shall assess the applications and extend suitable regulatory relaxations to commence limited purpose testing in the Sandbox.

What is Regulatory Sandbox?

A regulatory sandbox is a framework set up by a financial sector regulator to allow small scale, live testing of innovations by private firms in a controlled environment (operating under a special exemption, allowance, or other limited, time-bound exception) under the regulator's supervision.

International Financial Services Centres Authority:

- It is a statutory unified regulatory body under the Department of Economic Affairs, Ministry of Finance, Government of India established by an Act of Parliament to develop and regulate the financial products, financial services and financial institutions located/performed in the International Financial Services Centres in India.
- The Authority is empowered to exercise the powers of RBI, SEBI, IRDAI and PFRDA in respect of financial services, financial products and financial institutions performed/located in the international financial services centres in the country.
- The IFSCA is headquartered in Gandhinagar, Gujarat.
- The members of the Authority are appointed by the Central Government.
- They will include a Chairperson of the Authority, a member each from the RBI, [SEBI](#), the Insurance Regulatory and Development Authority of India (IRDAI), and the Pension Fund Regulatory and Development Authority (PFRDA); and two members from the Ministry of Finance. In addition, two other members will be appointed on the recommendation of a Selection Committee.
- They will have a three-year term subject to reappointment.

What is an International Financial Services Centre (IFSC)?

- An IFSC caters to customers outside the jurisdiction of the domestic economy.
- Such centres deal with flows of finance, financial products and services across borders.
- London, New York and Singapore can be counted as global financial centres. Many emerging IFSCs around the world, such as Shanghai and Dubai, are aspiring to play a global role in the years to come.
- An expert panel headed by former World Bank economist Percy Mistry submitted a report on making Mumbai an international financial centre in 2007.
- However, the global financial crisis that unfolded in 2008 made countries including India cautious about rapidly opening up their financial sectors.
- Gujarat International Finance Tec-City Co. Ltd (GIFT City) is developed as the country's first international financial services centre (IFSC).

3. ICT Grand Challenge 2020

Context:

ICT Grand Challenge 2020 launched.

ICT Grand Challenge:

- It is launched by the Jal Jeevan Mission in partnership with the Ministry of Electronics & Information Technology (MeitY).
- It invites proposals to create an innovative, modular, and cost-effective solution to develop a 'Smart Water Supply Measurement and Monitoring System' to be deployed at the village level.
- A total of 213 proposals from various Indian tech start-ups, MSMEs, and other companies have been received which will now be scrutinized by a jury committee appointed by MeitY and select the proposals.
- The mission focuses on service delivery rather than the mere creation of infrastructure.
- This grand challenge will harness the vibrant Internet of Things ecosystems of India for creating a smart rural water supply ecosystem to measure and monitor the service delivery of the water supply in rural areas.
- This challenge will provide an opportunity to work for the cause of [Jal Jeevan Mission](#) and to assure potable water supply through functional household tap connection to every rural household of the country.
- The Grand Challenge will provide support at the ideation stage, prototype development stage, deployment stage. The pilot will be conducted in 100 villages.
- The best solution will get a cash prize of Rs. 50 Lakh and runners up will get prizes of Rs. 20 Lakh each.
- The successful developers will be given an opportunity to join the MeitY-supported incubator for further nurturing of the solution.

4. Multi-modal Logistic Park

Context:

Union Minister for Road Transport and Highways to virtually lay the foundation stone for the first-ever multi-modal logistic park in Assam.

Details:

- The Rs 693.97 crore park will provide direct connectivity to air, road, rail and waterways to the people.
- It will be developed under the ambitious [Bharatmala Pariyojana](#) of the Government of India.
- The park will be located in Jogighopa in Bongaigaon District, Assam.
- The park aims to reduce logistics costs and improve the efficiency of transport of goods and commodities.
- The Centre had proposed to develop a Multi-Modal Logistics Park at Jogighopa in Assam to promote international trade with neighbouring countries.
- Under 'Bharatmala Pariyojana', more than 3000 km of economic corridors are to be developed in the North East alone covering major cities in the North East.
 - Additionally, various feeder routes, inter-corridor routes, national corridors, ring-roads, bypasses, border roads, international connectivity with Bhutan and Bangladesh to promote trade would be developed under Bharatmala.
- Under Bharatmala, around 3,300 km of border roads of strategic importance have been identified to be built along the international boundaries and around 2,000 km of roads are required for connecting India's major highway corridor to International trade points so as to facilitate Export-Import (EXIM) trade with Nepal, Bhutan, Bangladesh and Myanmar.
- Jogighopa is set to become India's gateway to South-East Asia as well as the rest of the North-East with the multi-modal logistics park.

5. Asafoetida (Heeng) cultivation

Context:

CSIR-IHBT makes history by introducing asafoetida (Heeng) cultivation in the Indian Himalayan region.

Details:

- The Institute of Himalayan Bioresource Technology (IHBT), Palampur, a constituent laboratory of the CSIR, has introduced asafoetida cultivation in the remote Lahaul valley in Himachal Pradesh.
- CSIR-IHBT brought in seeds of asafoetida and developed its agro-technology.
- The plant prefers cold and dry conditions for its growth and takes approximately five years for the production of oleo-gum resin in its roots, therefore the cold desert areas of the Indian Himalayan region are suitable for cultivation of asafoetida.
- Asafoetida is one of the top condiments and is a high-value spice crop in India.
- India imports about 1200 tonnes of raw asafoetida annually from Afghanistan, Iran and Uzbekistan and spends approximately 100 million USD per year.
- Lack of planting material of *Ferula assa-foetida* plants in India was a major bottleneck in the cultivation of this crop.
- Although there are about 130 species of *Ferula* found in the world, only *Ferula assa-foetida* is the economically important species used for the production of asafoetida.
- In India, we do not have *Ferula assa-foetida*, but other species *Ferula jaeschkeana* is reported from the western Himalaya (Chamba, HP), and *Ferula narthex* from Kashmir and Ladakh, which are not the species that yield asafoetida.