

07 May 2021: UPSC Exam Comprehensive News Analysis

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Category: INTERNATIONAL RELATIONS

1. [China halts economic dialogue with Australia](#)

Context:

China has called off the **China-Australia Strategic Economic Dialogue** and suspended all activities under the framework indefinitely.

Details:

- China's move is a largely symbolic act of fury, following clashes over a wide range of issues, including **human rights, espionage** and the **origins of COVID-19**.
- Tensions between the two sides have soared since **Australia called for an independent probe into the origins of the pandemic** and **banned telecom giant Huawei from building Australia's 5G network**.
- **China — Australia's biggest trading partner**, has already imposed tariffs or disrupted more than a dozen key industries.
- China's National Development and Reform Commission blamed Australia for "Cold War mindset" and "ideological discrimination".

C. GS 3 Related

Category: ECONOMY

1. RBI move to help firms with weaker credit profiles: CRISIL

Context:

According to CRISIL, companies with relatively weaker credit profiles, and part of low-resilience sectors, are expected to benefit more from the restructuring window offered under the **Resolution Framework 2.0** announced by the **Reserve Bank of India (RBI)**.

- RBI has announced a **slew of measures to mitigate the impact of the pandemic on businesses and individuals**, including a **restructuring window** for small businesses.
- The restructuring would entail **rescheduling of financial obligations**, thus **easing liquidity pressure**.
- This effort by RBI is to ensure that **credit keeps flowing to the economy, especially the weaker sectors**.

Read more on this topic covered in the **6th May 2021 Comprehensive News Analysis**.

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: SCIENCE AND TECHNOLOGY

1. Intellectual property waiver for Covid-19 vaccines

Context:

- The United States under the **Biden administration has announced support for waiving patents on COVID-19 vaccines** and will pursue negotiations for the same at the [World Trade Organization](#).

Background:

Patents:

- A patent is an exclusive monopoly granted by a government to an inventor for a limited, pre-specified time. It provides an enforceable legal right to prevent others from copying the invention.
- Patents can be either **process patents or product patents**.
 - A product patent ensures that the rights to the final product are protected, and anyone other than the patent holder can be restrained from manufacturing it during a specified period, even if they were to use a different process.
 - A process patent enables any person other than the patent holder to manufacture the patented product by modifying certain processes in the manufacturing exercise.
- India moved from product patenting to process patenting in the 1970s. But due to obligations arising out of the **TRIPS Agreement**, India had to amend the **Patents Act in 2005**, and switch to a product patents regime across the pharma, chemicals, and biotech sectors.

Proposal for a temporary waiver:

- In October 2020, India and South Africa had asked the WTO to waive certain conditions of the **Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement** that could impede their access to affordable medical products to combat Covid-19.
- The countries had asked the TRIPS Council to recommend a waiver on the implementation, application and enforcement of four sections in the second part of the agreement. These **sections — 1, 4, 5, and 7 — pertain to copyright and related rights, industrial designs, patents, and the protection of undisclosed information**.
- The demand had also been raised by human rights bodies and global advocacy groups. However, the appeals to do away with intellectual property rights have been unsuccessful so far in the face of lobbying by powerful pharmaceutical companies.

Details:

- The U.S. administration has stated that though it believes strongly in intellectual property protections, it supports the waiver of those protections for the COVID-19 vaccine given the need of the hour to end the pandemic.
- The move is aimed to get as many safe and effective vaccines to as many people as fast as possible.
- United States Trade Representative has said that the US will pursue **“text-based negotiations”** on the waiver at the World Trade Organization (WTO).
 - Text-based negotiations involve negotiators exchanging texts with their preferred wording and then thrashing out a consensus on the working.

Significance:

Movement towards global consensus:

- The opposition to IP related waivers has come from the developed nations and their industries. **The U.S. support for the temporary waiver would go a long way in building a global consensus for the proposed IP waiver.**
 - The **European Union**, which had earlier opposed the waiver, has now stated its intent to discuss the US-backed proposal.

Push for global vaccine production:

- Doing away with **intellectual property rights** will help scale up vaccine production.
- The IP waiver might open up space for large scale production of COVID-19 vaccines with emergency use authorisations (EUA) — such as those developed by Pfizer, Moderna, AstraZeneca, Novavax, Johnson & Johnson and Bharat Biotech —in middle-income countries.
 - Most production is currently concentrated in high-income countries; production by middle-income countries has been happening through **licensing or technology transfer agreements**.
- Hence, this will be a **big step in overcoming vaccine shortage**.

For related information refer to:

[CNA dated April 13, 2021: Scaling up vaccine production](#)

Ensure cheaper vaccines:

- Doing away with **intellectual property rights** will pave the way for **cheaper versions of the vaccine to enter the market**.
- The waiver would allow any company which possesses the required technology and infrastructure to produce vaccines. This will lead to cheaper and more generic versions of COVID-19 vaccines. It will mean that vaccines will be **more affordable**.

Ensure universal vaccination:

- Vaccine experts and human rights groups have warned that the longer Covid circulates in developing nations, there is the greater chance of more vaccine-resistant, deadly mutations of the virus emerging. An Oxfam International report warns that mutations could render current COVID vaccines ineffective in a year or less.
- This necessitates the need to vaccinate all. **Open sharing of technology and intellectual property could increase global vaccine coverage.**

Challenges:

Time-consuming process:

- The negotiations at WTO may take time given the **consensus-based nature of the institution** and the complexity of the issues involved.
 - All 164 WTO members must agree on the draft, and any one member can veto it.

Questions over production capacity:

- It must be noted that the mere elimination of IP protections may not necessarily speed up the production of the vaccines.
- **Ramping up production capacities will be a lengthy process** and most analysts expect this to take at least a few months.

Supply chain constraints:

- Besides patents, there are other roadblocks to scaling up the production of vaccines and ensuring their distribution. The International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) has pointed to challenges in scaling up the production and distribution of Covid-19 vaccines.
- **Challenges include trade barriers, bottlenecks in supply chains, scarcity of raw materials and ingredients in the supply chain**, and the unwillingness of rich countries to share doses with poorer nations.
- The **scarcity of raw materials** has been a growing issue for ramping up production; several manufacturers have been relying on specific suppliers, and alternatives are limited.
 - Countries like the US had blocked exports of critical raw materials used in the production of some Covid-19 vaccines using regulations like the American Defence Production Act. This led to a delay in the production of COVID vaccines by some companies in India.

Economic ability of developing states to acquire vaccines:

- Given the propensity of **high-income countries to acquire “most of the supplies”** there is the **overwhelming possibility of global vaccine inequality**. This could impact the very basis of calls for a temporary waiver of IP rights- ensuring global access to quality vaccines.
 - The United States has been reportedly having an excess of over 80 million doses of various vaccines while the developing world continues to face vaccine shortages.

Arguments against the move:

Dis-incentivize further research:

- Pharma companies including Pfizer and AstraZeneca have opposed the proposed waiver arguing that eliminating IP protections would undermine the global response to the pandemic, including the ongoing efforts to tackle new variants. It **could dis-incentivize research into the ever-evolving SARS-CoV-2**.

Minimal impact on vaccine production:

- The mere elimination of IP protections may not necessarily speed up the production of the vaccines given the **lack of currently available production capacity**.

Questions over quality:

- The pharma companies of the western nations have been arguing that the lifting of patents would be a **compromise on control of safety and quality standards for vaccine manufacturing**.

- The pharma companies argue that the waiver could create confusion that could potentially **undermine public confidence in vaccine safety** and create a barrier to information sharing.

Flexibilities available in TRIPS:

- Arguments against a temporary waiver for IP rights contend that there are already existing flexibilities available in TRIPS that can be utilized by middle-income countries. The temporary waiver would amount to a large dilution of IP rights and may lead to similar calls in future thus permanently impacting the IP rights under the TRIPS arrangement.

Counter arguments:

Financial viability of pharma companies not at stake:

- WHO Director-General, Tedros Adhanom Ghebreyesus has argued that the waiving of the patents do not mean the innovators will not get anything — they stand to get a **royalty for the products they manufacture**.

Previous case of generic medicine production:

- The argument that middle-income countries do not have the capacity to speedily produce vaccines goes against earlier moves towards a patents regime for generic drugs. Experts said the same reasoning can be used now for the production of vaccines.
- **A number of companies from different countries have said they are ready to produce the vaccines if a temporary waiver is provided.**
 - Countries including Canada, South Korea, and Bangladesh have shown interest in making COVID-19 vaccines if they can get a patent waiver.

Concerns over quality do not hold:

- The quality of the vaccines **can always be assessed and regulated**.
- The continued association of western companies with Indian companies for manufacturing their vaccines in India is indicative of the quality of products produced in India.
 - Between 1972 and 2005, India had adopted process patenting rather than product patenting, and built up a huge generic industry. India which is a significant producer of generic drugs on a global scale has enabled companies like Cipla to provide Africa with anti-HIV drugs in the 1990s.

Ineffectiveness of available flexibilities:

- The developing countries may face **institutional and legal difficulties when using flexibilities available in the TRIPS Agreement**.

Recommendations:

Negotiations should include all COVID-19 related interventions:

- Notably, the proposal for temporary waiver was for all COVID-19 interventions, including testing diagnostics and novel therapeutics. The IP waiver negotiations should include other interventions going forward.

Ensuring equitable access:

- Given the available evidence pointing to the ill effects of inequitable vaccine access, there should be an **increased emphasis on ensuring more equitable distribution of the vaccine doses available.**

Conclusion:

- In view of the ongoing global health crisis and the need for extraordinary measures in extraordinary circumstances of the Covid-19 pandemic, **the temporary waiver of IP rights seems to be the right way forward in the global fight against the pandemic.**
- If patents are waived, it will definitely be a shot in the arm to increase the scale and speed of vaccine rollout across the world.

For related information refer to:

CNA dated April 28, 2021: A patently wrong regime

Category: ECONOMY

1. A lending hand

This issue has been previously covered in the following article:

Comprehensive News Analysis of 6th May 2021: RBI steps in to ease Covid-19 burden

F. Prelims Facts

1. Taliban captures key dam in Afghanistan

What's in News?

The Taliban has captured **Dahla Dam**.

- **Dahla Dam is Afghanistan's second-biggest dam.**

The dam's capture comes amidst clashes, shortly after the U.S. military formally began withdrawing its troops from Afghanistan.

Read more on this topic covered in the 15th April 2021 Comprehensive News Analysis.

2. Down Syndrome

- Down syndrome is a common congenital chromosomal anomaly.
- The condition occurs when there is one extra copy of chromosome 21 in cells in the body.
- The extra chromosome 21 material may affect the physical development and learning abilities of people with Down syndrome.

- Down syndrome is the most common genetic cause of learning disability. It often causes various degrees of cognitive impairment.
- It is not a disease or an illness that can be cured.

G. Tidbits

1. EU to discuss U.S. vaccine patent plan at summit

What's in News?

In view of the global health crisis and the need to combat the Covid-19 pandemic, **India and South Africa proposed a relaxation in the norms of the agreement on TRIPS in WTO**, to ensure **quick and affordable access to vaccines and medicines for developing countries**.

- The proposal has received the **support of more than 120 countries**.
- France also has joined the United States in supporting an easing of patent and other protections on COVID-19 vaccines.
- Russia has also expressed its support for the idea of a waiver on patent protections for coronavirus vaccines.
- The relaxation **could help poorer countries get more doses and speed up the end of the pandemic**.
- The EU Commission President has also expressed willingness to discuss the proposal.
- The GAVI vaccine alliance, which co-leads the COVAX dose-sharing programme with the WHO welcomed Mr. Biden's support for waiving intellectual property rights.

Drug makers' concerns:

- The drug makers opine that the proposal if adopted by the WTO **would invite new manufacturers that lack essential know-how and oversight from the inventors** to crowd out established contractors.

2. What's Facebook's Oversight Board

What's in News?

Facebook's Oversight Board upheld Facebook's January decision to block the then-U.S. President Donald Trump from its platform.

- Trump was blocked for "inciting violent insurrection against a democratically elected government".
- Facebook then referred the case to its Oversight Board.

Facebook's Oversight Board:

- The Oversight Board has been set up as an **independent body** that will help Facebook figure out what content can be allowed on the platform and what ought to be removed.
- It was said to have emerged out of the tensions around the often-**conflicting goals of maintaining Facebook as a platform for free speech and effectively filtering out problematic speech**.
- The **board is autonomous** in the exercise of independent judgment.

- Facebook as well as its users can refer cases to the board. The decisions of the board are binding on Facebook.

H. UPSC Prelims Practice Questions

Q1. With reference to Uranium, which of the following statements is/are correct?

1. It is weakly radioactive because all isotopes of uranium are unstable.
2. In India, only public sector companies under the Government of India are allowed to explore and mine atomic minerals like Uranium.
3. The largest deposits are found in China, South Africa, and Argentina.

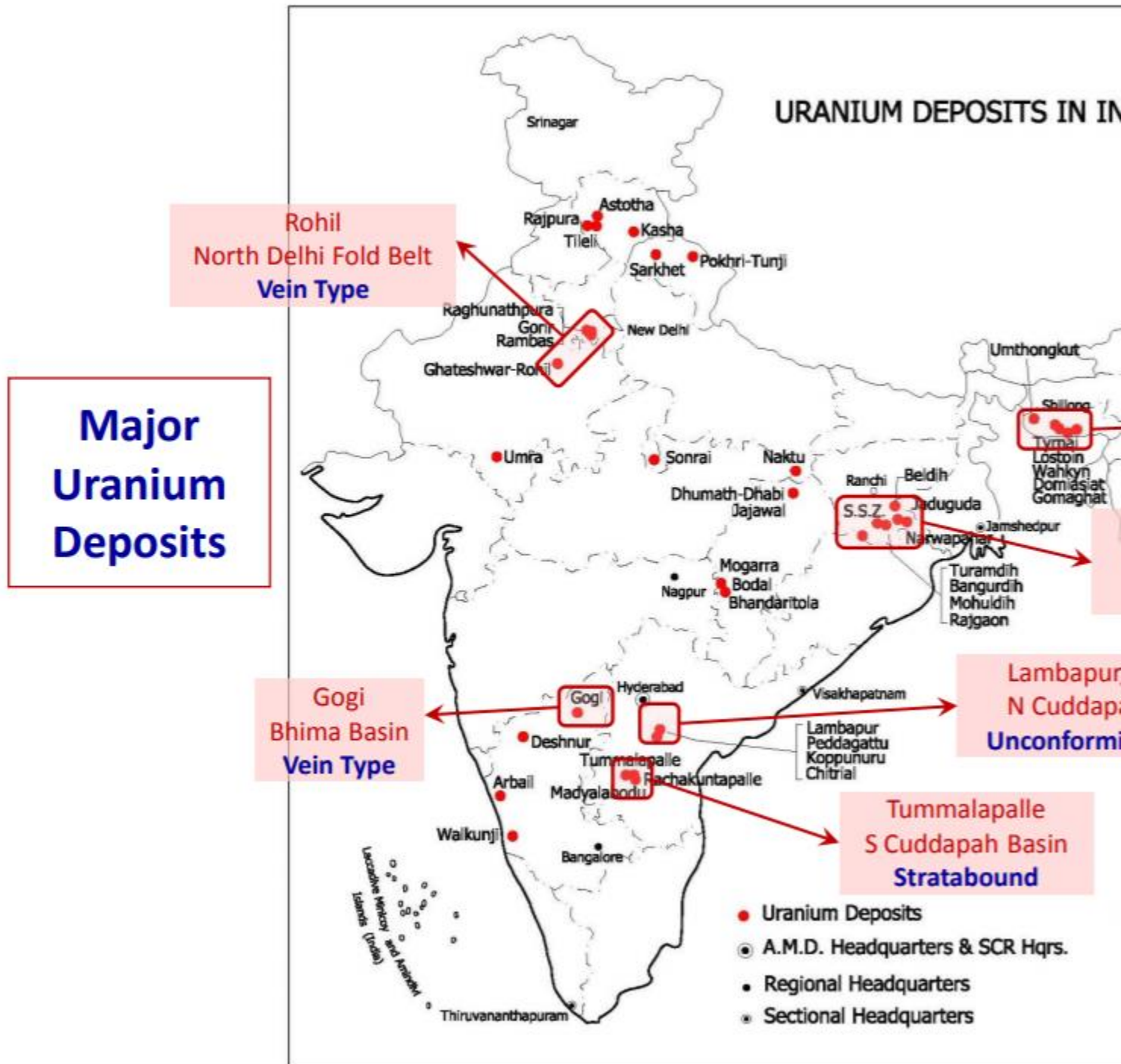
Options:

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

Answer: a

Explanation:

- Uranium is weakly radioactive because all isotopes of uranium are unstable.
- Fissionable isotopes, especially U-235, are used in nuclear reactors and nuclear weapons.
- In India, only public sector companies under the Government of India are allowed to explore and mine atomic minerals like Uranium.
- Australia, Kazakhstan, Canada, Namibia and South Africa have the largest deposits of Uranium in the world.



Q2. Consider the following Pairs:

Tiger Reserve

State

1. Anamalai Tiger Reserve
2. Satkosia Tiger Reserve

Tamil Nadu
Odisha

3. Pilibhit Tiger Reserve

West Bengal

Which of the above pairs is/are correctly matched?

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

Answer: b

Explanation:

- Anamalai Tiger Reserve – Tamil Nadu
- Satkosia Tiger Reserve – Odisha
- Pilibhit Tiger Reserve – Uttar Pradesh

Q3. Which of the following statements about Darwin Port is/are correct?

- 1. It is a port located on the South Western coast of Australia.
- 2. The US-owned Landbridge Group had won the bid for a lease of Port Darwin and the port hosts the annual naval exercise between the USA and Australia.

Options:

- a. 1 only
- b. 2 only
- c. Both
- d. None

Answer: d

Explanation:

- Port Darwin is a port in northern Australia.
- Landbridge Group, a Chinese firm won a bidding process in September 2015 to operate Darwin Port on a 99-year lease in a deal.
- Naval exercises between the USA and Australia have not been conducted in Port Darwin.

Q4. Dahla Dam recently seen in news is in

- a. Iran
- b. Pakistan
- c. Tajikistan
- d. Afghanistan

Answer: d

Explanation:

- Dahla Dam is Afghanistan's second-biggest dam.
- The Taliban has captured Dahla Dam amidst clashes, shortly after the U.S. military formally began withdrawing its troops from Afghanistan.

**Q5. With reference to National Legal Services Authority, consider the following statements:
(UPSC 2013)**

1. Its objective is to provide free and competent legal services to the weaker sections of the society on the basis of equal opportunity.
2. It issues guidelines for the State Legal Services Authorities to implement the legal programmes and schemes throughout the country.

Which of the statements given above is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Answer: c

Explanation:

- National Legal Services Authority (NLSA) was formed in 1995 under the authority of the Legal Services Authorities Act 1987.
- Its objective is to provide free and competent legal services to the weaker sections of the society on the basis of equal opportunity.
- It organizes Lok Adalats for speedy resolution of cases.
- It issues guidelines for the State Legal Services Authorities to implement the legal programmes and schemes throughout the country.

I. UPSC Mains Practice Questions

1. Discuss the measures taken by the RBI to reduce the burden on healthcare providers during the pandemic. (250 words; 15 marks) [GS-3, Economy]
2. What lessons do the communal tensions in Ireland offer to India? (250 words; 15 marks) [GS-1, Social Issues]