

UPSCC CURRENT AFFAIRS NOTES 15-12-2023

European Free Trade Association (EFTA)

Switzerland's Ambassador to India has expressed optimism that the crucial European Free Trade Association (EFTA) deal with India would be wrapped up before the 2024 general elections.



The European Free Trade Association (EFTA) is a regional trade organization and free trade area consisting of four European states: Iceland, Liechtenstein, Norway and Switzerland.

The organization operates in parallel with the European Union (EU), and all four member states participate in the European Single Market and are part of the Schengen Area.

They are not, however, party to the European Union Customs Union.

EFTA was established on 3 May 1960 to serve as an alternative trade bloc for those European states that were unable or unwilling to join the then European Economic Community (EEC), the main predecessor of the EU.

The Stockholm Convention (1960), to establish the EFTA, was signed on 4 January 1960 in the Swedish capital by seven countries (known as the "outer seven": Austria, Denmark, Norway, Portugal, Sweden, Switzerland and the United Kingdom).

A revised Convention, the Vaduz Convention, was signed on 21 June 2001 and entered into force on 1 June 2002.



Since 1995, only two founding members remain, namely Norway and Switzerland. The other five, Austria, Denmark, Portugal, Sweden and the United Kingdom, had joined the EU at some point in the intervening years.

The initial Stockholm Convention was superseded by the Vaduz Convention, which aimed to provide a successful framework for continuing the expansion and liberalization of trade, both among the organization's member states and with the rest of the world.

Whilst the EFTA is not a customs union and member states have full rights to enter into bilateral third-country trade arrangements, it does have a coordinated trade policy.

As a result, its member states have jointly concluded free trade agreements with the EU and several other countries.

To participate in the EU's single market, Iceland, Liechtenstein, and Norway are parties to the Agreement on a European Economic Area (EEA), with compliances regulated by the EFTA Surveillance Authority and the EFTA Court.

Switzerland has a set of multilateral agreements with the EU and its member states instead.

INS Tarmugli

Recently, INS Tarmugli, a Fast Attack Craft has been commissioned into the Navy at a ceremony held at Naval Dockyard, Visakhapatnam.



It is the first Follow-on Water Jet Fast Attack Craft (WJFAC), is an improved version of WJFAC, earlier constructed by GRSE.

It is built by M/s Garden Reach Shipbuilders and Engineers Ltd (GRSE).

It is conceived, designed and built indigenously.

It would be deployed for coastal patrol and surveillance operations along the East Coast of India.

It is named after a picturesque island in the Andaman group.

Features:

The ship is capable of operating in shallow waters at high speeds and is equipped with enhanced fire power.

It is built for extended coastal and offshore surveillance and patrolling.

It is fitted with advanced MTU engines, water jet propulsion and the latest communication equipment.



The Nature of Future: The Big Victory for Climate at COP28

The 28th Conference of Parties (COP28) to the UN Framework Convention on Climate Change (UNFCCC) concluded on December 13.

Despite winning battles over language, the global stock take presented at COP28 revealed grim findings about the world's progress in combating climate change.

However, there have been some positive developments and its important to have an assessment of these challenges and developments.

Assessment of the Current Status in Addressing the Threat of Climate Change

Ineffective Commitments:

The IPCC assessment reports, integrated into the recent stock take, reveal a troubling reality about the effectiveness of the current commitments made by states parties to the UNFCCC.

Insufficiency of NDCs

The latest science indicates that the present nationally determined contributions (NDCs), if fully implemented, will yield only a meagre 2% reduction in global greenhouse gas (GHG) emissions by 2030 compared to 2019.

This falls far short of the 50% chance needed to limit the global temperature rise to 1.5 degrees Celsius by 2050.

Achieving this probability requires global emissions to peak by 2025, merely two years from now, followed by a 43% reduction by 2030 and a 60% reduction by 2035.

The enormity of this gap raises doubts about the feasibility of attaining these minimal targets, especially given the current global average temperature rise of 1.1 degrees Celsius compared to the pre-industrial period.

Bleak Future Outlook

The disparity between the current trajectory and the necessary targets is stark, and leaves very little room for optimism.



The urgency of the situation becomes evident as the timeline for peaking emissions approaches rapidly.

Without a significant and immediate shift in our approach, the prospects of averting the worst impacts of climate change remain dangerous.

Major Challenges in the Fight Against Climate Change

NDCs' Dependency on Rich Nations for Finance

The successful realisation of NDCs from developing nations is dependent upon obtaining essential financial and technological support from developed countries.

Unfortunately, the track record in this regard is disheartening.

Unmet Pledges and Questionable Sources.

In 2009, developed nations pledged an annual sum of \$100 billion to aid climate action in developing countries but this commitment has never materialised.

Serious reservations have been expressed regarding the \$89.6 billion claimed by the Organisation for Economic Co-operation and Development (OECD) for the year 2021.

A more rigorous analysis conducted by OXFAM challenges this figure, indicating that the actual amount may be significantly lower, amounting to less than \$25 billion.

Inadequate Recognition in Declaration at COP28

Despite these concerns, the declaration includes the contentious \$89.6 billion figure with a somewhat vague acknowledgment of a diversity of definitions of climate finance.

This inclusion raises questions about the transparency and accuracy of financial reporting and underscores the need for a more robust and universally accepted framework for measuring and reporting climate finance.

Reason Behind Inadequacy of Funding According to IPCC Report

Huge NDC Implementation Costs

The IPCC report estimates a staggering financial requirement for implementing the Nationally Determined Contributions (NDCs) of developing countries.



Between now and 2030, they would need \$5.8-\$5.9 trillion, roughly translating to \$800 billion annually for the next seven years.

Adaptation Funding Gap

For adaptation efforts alone, the report identifies a substantial gap. Developing nations would require \$215-\$387 billion annually from now until 2030.

However, the current pledges to the Adaptation Fund stand at a mere \$188 million.

Short Financial Commitments Despite Establishing Loss and Damage Fund

While COP28 established a Loss and Damage Fund, representing a positive development, the financial commitments fall significantly short. Pledges to this fund total only \$770.6 million.

There is also uncertainty regarding the criteria for irreversible loss and damage from man-made climate impacts and the eligible developing countries.

India is deemed unlikely to be on the list of potential beneficiaries.

Widening Gap Between Science and Resources

The figures presented underscore a substantial disparity between the scale of effort required by scientific assessments and the available resources.

This mismatch becomes more distinct considering the urgency of addressing climate change within a rapidly shrinking timeframe.

No Realistic Assessment of Financial Flows

Given the prevailing conditions, with most developed economies grappling with low growth and inflationary pressures, the expectation of a dramatic increase in financial flows over the next few years appears delusional.

This raises serious concerns about the feasibility of bridging the financial gap needed for effective climate action.

Significant Outcomes of COP28 Climate Meeting

Framework on Transitioning from Fossil Fuels

COP28 marks the first time that the conference explicitly acknowledges the need to address the source of emissions; the fossil fuel-based energy system powering global economic activity.



The final declaration emphasises transitioning away from fossil fuels in an equitable, just, and orderly manner to achieve net zero by 2050, despite strong opposition from oil-producing states and multinationals.

Notably, there is a recognition of transitional fuels, including natural gas, in facilitating this energy transition.

Credible Targets for Renewable Energy and Energy Efficiency

More credible targets have been set, such as tripling global renewable energy capacity to 11,000 GW and doubling the rate of energy efficiency gains from 2% to 4% annually by 2030.

India is highlighted as a frontrunner in both areas, signalling a commitment to sustainable energy practices.

Inclusion of Nuclear Energy, Green and Blue Hydrogen

COP28 introduces nuclear energy as a clean energy source, along with green and blue hydrogen.

These sectors align with India's current focus on diversifying its energy portfolio.

Group Initiatives and Alliances

Recent COPs have seen interested countries forming alliances and initiatives for climate action in specific sectors.

Noteworthy initiatives include the US-led effort to reduce methane emissions at COP26 and the establishment of the Powering Past Coal Alliance and a Nuclear Power Group at COP28.

India, however, tends to adhere to consensus targets adopted by the UNFCCC and expresses relief that the declaration calls for a phase-down rather than a complete phase-out of unabated coal power.

Linking Climate Change to Broader Ecological Challenges

The obvious linkage of climate change to adverse impacts on health, food security, and biodiversity loss is a welcome development at COP28.

This acknowledgment represents a move towards recognising climate change as part of a broader ecological challenge, emphasising the interconnectedness of interventions in various domains.

Mumps

Mumps cases in children are on rise in the states of Maharashtra and Telangana which has become a cause of concern for parents.



About Mumps:

It is a contagious disease caused by a paramyxovirus.

It can cause the parotid glands, the ones on each side of the face to swell and they may also be tender or painful.

It is an acute disease which infects children and young adults.

Humans are the only known host for mumps virus, which is spread via direct contact or by airborne droplets from the upper respiratory tract of infected individuals.

Symptoms:

After an incubation period of some 2 to 4 weeks mumps begins with non-specific symptoms such as myalgia, headache, malaise and low-grade fever.

Within days, these symptoms are followed by unilateral or bilateral swelling of the parotid salivary glands, with other salivary glands affected in 10% of cases.

Normally mumps is a mild, self-limiting disease and disappears without sequelae.

However, complications may occur such as encephalitis or sensorineural deafness.



Orchitis (a painful inflammation of the testes) occurs in 20% of young adult males who develop mumps.

Treatment: There is no specific treatment for mumps. The various symptoms may be relieved with medicines.

Prevention: The best way to protect kids is to make sure they're immunised against mumps.

Surrender Value in Insurance

The Insurance and Regulatory Development Authority of India (IRDAI), recently released a crucial consultation paper on increasing the surrender value for life insurance policies.

The surrender value of an insurance policy is the amount that the insurance company will pay the policyholder back when he or she decides to terminate the policy before maturity.

It applies only to those term insurance policies with a surrender benefit.

The surrender value is usually a percentage of the total premiums paid minus any applicable charges or fees.

How is the surrender value calculated? The surrender value calculation in term insurance policies varies from one insurance company to another. Generally, the surrender value is calculated based on the following factors:

Policy term: The longer the policy term, the higher the surrender value.

Premium paid: The higher the premium paid, the higher the surrender value.

Policyholder's age: The younger the policyholder at the time of surrendering the policy, the higher the surrender value.

IRDAI rules for surrender value:

The IRDAI rules say that anyone with a term plan can give up their insurance policy.

However, only after the policy has been in effect for three years will the policyholder get the payout of the surrender value.

The IRDAI decides what the policy's surrender value is for the first seven years.



From the third year on, the surrender value is up to 30% of the paid premium. It excludes the premium paid for the first year.

Between the fourth and seventh years, the surrender value could fall to up to 50% of the paid premium.

After seven years, the insurance company decides how much the premium should be.

The general rule is that the closer you are to your date of maturity when you surrender, the more money and benefits you get.

Beyond Jammu and Kashmir: Why many States in India enjoy Special Provisions

On 12th December 2023, the Supreme Court bench, with a majority of 5:0 judges, ruled that Article 370 of the Indian Constitution is only a feature of asymmetric federalism, which is not the same as having internal sovereignty.

About Asymmetric Federalism (Meaning, Features, India's Case Study)

Examples of Asymmetric Federalism (Article 370, Article 371, Sixth Schedule of Constitution)

What is Asymmetric Federalism?

Asymmetric federalism is based on unequal powers and relationships in political, administrative, and fiscal arrangement spheres between the federal units constituting a federation.

Asymmetry in the arrangements of a federation can be viewed in both vertical (between the centre and states) and horizontal (among the states) senses.

Asymmetric arrangements need not necessarily be the outcome of constitutional arrangements.

They can also result from the way in which administrative, political, and fiscal systems are implemented in a federation.

India's founding fathers recognized the need for a salad bowl approach to governance which recognizes the distinctive cultural differences in the country and permits self-rule within the scheme of a shared rule.



Why is it said that India has Asymmetric Federalism?

The main forms of administrative units in India are the Centre and the States.

But there are other forms, too, all set up to address specific local, historical and geographical contexts.

Besides the Centre and the States, the country has Union Territories with a legislature, and Union Territories without a legislature.

For example, Puducherry and Delhi have legislatures, while the other territories under the Centre do not have legislatures or a ministerial council to advise the administrator.

Even between Puducherry and Delhi, there is a notable difference.

Puducherry has legislative powers on any matter mentioned in the State List or the Concurrent List, insofar as it applies to the Union Territory.

Delhi, which has the same field, has three further exceptions: police, land and public order are outside its purview.

However, Parliament has overriding powers over any law made by the Assembly in the Union Territories.

Just as the Centre and the States do not have matching powers in all matters, there are some differences in the way some States and other constituent units of the Indian Union relate to the Centre.

This creates a notable asymmetry in the way Indian federalism works.

Article 370 of the Indian Constitution:

The foremost example of asymmetry among Centre-State ties was in the way J&K related to India until August 6, 2019, the day the President declared that its special status ceased to be operative.

Under Article 370, the State was allowed to have its own Constitution, its own definition of 'permanent residents', the right to bar outsiders from holding property, and the privilege of not having any Indian law automatically applicable to its territory.

Indian laws had to be specifically permitted by its Assembly before it could operate there.



It was allowed to have its own Penal and Criminal Procedure Codes.

The President was empowered to notify, from time to time, the provisions of the Constitution that could be extended to the State, with or without modifications.

Article 371 of the Indian Constitution:

Special status is not unique to Kashmir. However, the sort of asymmetry seen in J&K's relationship to the Centre is not seen in other States.

The 'special provisions' applicable to some other States are mainly in the form of empowering the Governors to discharge some special responsibilities.

The common feature is that wherever Governors have been asked to discharge special responsibilities, their discretionary power overrides the process of consultation with the respective Council of Ministers.

Article 371 says the Governor of Maharashtra has a special responsibility to establish separate development boards for Vidarbha, Marathwada, and the rest of the State.

Under the same Article, the Governor of Gujarat has a similar responsibility towards Saurashtra, Kutch and the rest of Gujarat.

Likewise, Article 371A, 371B, 371C, 371D, 371F, 371G, 371H have special provisions w.r.t. Nagaland, Assam, Manipur, Andhra Pradesh, Sikkim, Mizoram, Arunachal Pradesh, respectively.

Are there any other examples of Decentralisation of Power?

The Sixth Schedule to the Constitution contains provisions for the administration of tribal areas in Assam, Meghalaya, Tripura and Mizoram.

These create autonomous districts and autonomous regions.

Any autonomous district with different Scheduled Tribes will be divided into autonomous regions.

These will be administered by District Councils and Regional Councils.

These Councils can make laws with respect to allotment, occupation and use of land, management of forests other than reserve forests and water courses.

Besides they can regulate social customs, marriage and divorce and property issues.



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In Assam, the Karbi-Anglong Autonomous Council, Dima Hasao Autonomous District Council and the Bodoland Territorial Council have been set up under the Sixth Schedule.

Another six autonomous councils have been formed by Acts of the legislature.

Ladakh has two autonomous hill development councils (Leh and Kargil). The Darjeeling Gorkha Hill Council is in West Bengal.