

GOVERNANCE

Global Manufacturing Risk Index

Recently, India has overtaken the United States (US) to become the second-most sought-after manufacturing destination globally, driven mainly by cost competitiveness in the Global Manufacturing Risk Index 2021.

- In last year's report, the US was at second position while India ranked third.

Key Points

About the Global Manufacturing Risk Index:

- It assesses the most advantageous locations for global manufacturing among 47 countries in Europe, the Americas and Asia-Pacific (APAC).

The rankings in the report are determined based on four key parameters:

1. Country's capability to restart manufacturing,
 2. Business environment (availability of talent/labour, access to markets),
 3. Operating costs,
 4. Risks (political, economic and environmental).
- The index is released by the US-based property consultant Cushman & Wakefield.
 - China remains at number one position and the US is at third position, in the Global Manufacturing Risk Index, 2021.
 - The improvement in ranking indicates the growing interest shown by manufacturers in India as a preferred manufacturing hub over other countries, including the US and those in the APAC region.
 - Factors Responsible for Improvement in India's Ranking:
 - The growing focus on India can be attributed to India's operating conditions and cost competitiveness.
 - India has a huge population, which means a younger workforce with innovative capabilities that has the potential to fuel the country's manufacturing sector.
 - The improvement in ranking can be also attributed to plant relocations from China to other parts of Asia due to an already established base in pharma, chemicals and engineering sectors.
 - Also, these factors continue to be at the centre of the US-China trade tensions.

Recent Initiatives to Improve Manufacturing Sector in India:

- National Infrastructure Pipeline (NIP)
- Make in India
- Skill India
- Credit Guarantee Scheme for Micro and Small Enterprises
- A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE)
- Prime Minister's Employment Generation programme (PMEGP)

INTERNATIONAL RELATIONS

Delisting Taliban from Sanctions: UN

Recently, The United Nations (UN) officials claimed that there are no requests from the UN Security Council Permanent members for the delisting of the Taliban's top leadership from sanctions thus far.

- They also refuted reports that the next meeting of the Taliban Sanctions Committee also known as the resolution 1988 committee, due in September 2021, would lift restrictions on designated terrorists like Sirajuddin Haqqani and Mullah Baradar.

Key Points

Resolution 1988 Committee Meeting:

- India's Permanent Representative to the UN (UNPR) is the Chairman of the committee until December 2021, and is key to deciding the date of the meetings, and scrutinising requests to delist the Taliban leaders.
- The meeting is expected to happen ahead of an important meeting to discuss the renewal of the mandate of the UN Assistance Mission in Afghanistan (UNAMA), which expires in September 2021.
- A decision is likely to be taken on whether to extend the special travel exemptions given to 14 Taliban members to participate in the "peace and reconciliation efforts".
- The meeting could also discuss whether to include other Taliban leaders in the exemptions, giving them permission to travel and access some funds, which are frozen at the moment.

Significance of the Meeting:

- This is the first time the Committees would meet after the Taliban takeover of Kabul, and after the deadline for the US troops to pull-out.
- The stand taken by the UNSC members, particularly the P-5 — US, Russia, China, France and UK — would indicate how they intend to approach a future Taliban-led regime in Afghanistan.
- This time around, the UN would have to decide on continuing the accreditation with Ambassador Ghulam Isaczi who was appointed by the 'Islamic Republic of Afghanistan', given the Taliban control of Kabul, and its insistence on changing the country's flag, and name to the 'Islamic Emirate of Afghanistan'.
- In 1996, the last time the Taliban took power in Kabul, the UN had refused to recognise the regime, and had continued the Ambassador nominated by the previous Rabbani government.

Challenges:

- The challenge will be to reconcile the ground reality of a Taliban dominated regime with a new mandate for UNAMA.
- If the UN were to accept the new regime, which seems unlikely at present, it would give the Taliban the mandate to propose the delisting of its own members, as the Afghanistan UNPR is the "focal point" for the Sanctions list.
- Such a proposal would also run counter to the UN Security Council's own statement in August 2021 that firmly said that members "do not support the restoration of the Islamic Emirate".
- Importance of Sanctions for India:
- The reports concerning Sirajuddin Haqqani are significant for India as he and the Haqqani group, founded by his father Jalaluddin Haqqani, are wanted for the Indian Embassy bombings in Kabul in 2008 and 2009.
- In November 2012, India was instrumental, as the then-President of the UN Security Council, in ensuring that the Haqqani group was designated as a terror entity.
- India had worked with several countries to ensure the group was banned, both in the UN's 1988 sanctions committee list as well as the US, which designated it a Foreign Terrorist Organisation at the same time.
- Sirajuddin Haqqani, deputy to Taliban chief Haibatullah Akhundzada, is now likely to have considerable influence in the next government in Afghanistan.
- His brother Anas Haqqani, who was arrested in 2014 for financing the group's terror attacks, and was released as part of a hostage swap in 2019 from Bagram prison, is now one of the chief negotiators in government formation talks in Kabul.

INDIAN ART AND CULTURE**National Handicraft Award to Madur Mats**

- Recently, the National Handicraft Award was given to two women from West Bengal in recognition of their outstanding contribution to the development of crafts, 'Madur floor mats'.

Key Points

- Shilp Guru Award, National Award and National Certificate of Excellence are one of the highest awards for handicraft artisans in the country.
- They are presented by the President of India.
- Shilp Guru Award was instituted in the year 2002 on the occasion of Golden Jubilee year of handicrafts resurgence in India.
- While the National Award was instituted in the year 1965 and the National Certificate of Excellence was instituted in the year 1967.
- Shilp Guru is the country's highest award in the field of handicrafts given to artisans aged above 50 with 20 years of experience.
- Similarly, National Award is conferred on a craftsperson in recognition of his/her outstanding contribution towards the development of crafts and who is above the age of 30 years and is having 10 years of experience in the field of handicrafts.
- And the National Certificate of Excellence is conferred on Master craftspersons in recognition of their body of work, work undertaken to promote the crafts, dissemination of the same and his/her skill level and who is above the age of 30 years and is having 10 years experience in the field of handicrafts.

Madur Floor Mats:

- An intrinsic part of the Bengali lifestyle, Madur mats or Madhurkathi are made of natural fibres.

- It was awarded the Geographical Indication (GI) tag by the GI Registry in April 2018.
- It is a rhizome-based plant (Cyperus tegetum or Cyperus pangorei) found abundantly in the alluvial tracts of Purba and Paschim Medinipur of West Bengal.
- Other Items with GI Tags From Bengal:
- Wooden Mask of Kushmandi, Purulia Chau Mask, Gobindobhog Rice, Tulapanji Rice, Bengal Patachitra, Darjeeling Tea, etc.

INDIAN ECONOMY

National Monetisation Pipeline

Recently, the government of India has launched the National Monetisation Pipeline (NMP). The NMP estimates aggregate monetisation potential of Rs 6 lakh crores through core assets of the Central Government, over a four-year period, from FY 2022 to FY 2025.

- The plan is in line with Prime Minister's strategic divestment policy, under which the government will retain presence in only a few identified areas with the rest tapping the private sector.

Key Points

About the NMP:

- It aims to unlock value in brownfield projects by engaging the private sector, transferring to them revenue rights and not ownership in the projects, and using the funds generated for infrastructure creation across the country.
- The NMP has been announced to provide a clear framework for monetisation and give potential investors a ready list of assets to generate investment interest.
- Union Budget 2021-22 has identified monetisation of operating public infrastructure assets as a key means for sustainable infrastructure financing.
- Currently, only assets of central government line ministries and Central Public Sector Enterprises (CPSEs) in infrastructure sectors have been included.
- The government has stressed that these are brownfield assets, which have been "de-risked" from execution risks, and therefore should encourage private investment.
- Roads, railways and power sector assets will comprise over 66% of the total estimated value of the assets to be monetised, with the remaining upcoming sectors including telecom, mining, aviation, ports, natural gas and petroleum product pipelines, warehouses and stadiums.
- In terms of annual phasing by value, 15% of assets with an indicative value of Rs 0.88 lakh crore are envisaged for rollout in the current financial year.
- The NMP will run co-terminus with the Rs 100 lakh crore National Infrastructure Pipeline (NIP) announced in December 2019.
- The estimated amount to be raised through monetisation is around 14% of the proposed outlay for the Centre of Rs 43 lakh crore under NIP.
- NIP will enable a forward outlook on infrastructure projects which will create jobs, improve ease of living, and provide equitable access to infrastructure for all, thereby making growth more inclusive. NIP includes economic and social infrastructure projects.
- Other Initiatives for Infrastructure Development include Scheme of Financial Assistance to States for Capital Expenditure, Industrial corridors, etc.

Associated Challenges:

- Lack of identifiable revenue streams in various assets.
- The slow pace of privatisation in government companies including Air India and BPCL.
- Further, less-than-encouraging bids in the recently launched PPP initiative in trains indicate that attracting private investors' interest is not that easy.

Asset-specific Challenges:

- Low Level of capacity utilisation in gas and petroleum pipeline networks.
- Regulated tariffs in power sector assets.
- Low interest among investors in national highways below four lanes.
- Konkan Railway, for instance, has multiple stakeholders, including state governments, which own stake in the entity.

Way Forward

- Execution is the Key: While the government has tried to address many challenges, owing to infrastructure development in the NMP framework, execution of the plan remains key to its success.

- Dispute Redressal Mechanism: Further, there is a need for an efficient dispute resolution mechanism.
- Multi-Stakeholder Approach: The success of the infrastructure expansion plan would depend on other stakeholders playing their due role.
- These include State governments and their public sector enterprises and the private sector.
- In this context, the Fifteenth Finance Commission has recommended the setting up of a High-Powered Intergovernmental Group to re-examine the fiscal responsibility legislation of the Centre and States.

IMPORTANT FACTS FOR PRELIM

Hampi: UNESCO World Heritage Site

Recently, the Vice-president of India visited monuments at the UNESCO World Heritage Site of Hampi in Vijayanagara district, Karnataka.

Key Points

- The site of Hampi comprises mainly the remnants of the capital city of the Vijayanagara Empire (14th-16th century CE), the last great Hindu Kingdom.
- It encompasses an area of 4187, 24 hectares, located in the Tungabhadra basin in Bellary District, Central Karnataka.
- Hampi's spectacular setting is dominated by river Tungabhadra, craggy hill ranges and open plains with widespread physical remains.
- One of the unique features of temples at Hampi is the wide chariot streets flanked by the row of pillared mandapas.
- Its Famous places include Krishna temple complex, Narasimha, Ganesa, Hemakuta group of temples, Achyutaraya temple complex, Vitthala temple complex, Pattabhirama temple complex, Lotus Mahal complex, etc.

Background:

- Hampi was the capital of the Vijayanagara Empire in the 14th century. The old city of Hampi was a prosperous, wealthy and grand city near the Tungabhadra River, with numerous temples, farms and trading markets.
- By 1500 CE, Hampi-Vijayanagara was the world's second-largest medieval-era city after Beijing, and probably India's richest at that time, attracting traders from Persia and Portugal.
- The Vijayanagara Empire was defeated by a coalition of sultanates; its capital was conquered, pillaged and destroyed by sultanate armies in 1565 (Battle of Talikota), after which Hampi remained in ruins.

DAILY ANSWER WRITING PRACTICE

Qns. Himalaya may be entering a phase of irreversible decline because of losses to its ecology.

Discuss in the light of frequent disasters in the region. (250 Words)

Ans.

Introduction

- The Himalayan landscape is susceptible to landslides and earthquakes. Formed due to the collision of Indian and Eurasian plates, the northward movement of the former puts continuous stress on the rocks, rendering them weak and prone to landslides and earthquakes.
- This, combined with steep slopes, rugged topography, high seismic vulnerability, and rainfall, makes the region one of the most disaster prone areas in the world.
- Nine tourists were killed and three others injured in Himachal Pradesh's Kinnaur district when boulders fell on their vehicle during multiple landslides, triggered by heavy southwest monsoon rains.
- Heavy rain-triggered flash floods in the Kangra district of Himachal Pradesh swept away three people, buildings, and vehicles.
- Uttarakhand too has been affected with natural disasters with the massive flash flood in Chamoli in February 2021 that killed more than 80 people

Body

- The Himalayan ecosystem is vulnerable and susceptible to the impacts and consequences of changes on account of causes resulting from developmental paradigms of modern society.

Threat to the Himalayan Ecology

- Unsustainable Exploitation: From the mega road expansion project in the name of national security (Char Dham Highway) to building cascading hydroelectric power projects, from

unplanned expansion of towns to unsustainable tourism, the Indian States have ignored warnings about the fragile ecology.

- Such an approach has also led to pollution, deforestation, and water and waste management crises.
- Threat of Development Activity: Mega hydropower, which is a significant source of “green” power that substitutes energy from fossil fuels, could alter several aspects of ecology, rendering it vulnerable to the effects of extreme events such as cloudbursts, flash floods, landslides and earthquakes.
- An incompatible model of development in the hills, represented by big hydroelectric projects and large-scale construction activity involving destruction of forests and damming of rivers, is an invitation to harm.
- Impacts of Global warming on the Himalayan Ecology:
- With the utter disregard for the fragile topography and climate-sensitive planning, the threat to ecology has increased many folds.
- Glacier melting, resulting in an abrupt rise in water causes floods and impacts the local society.
- Increased incidences of forest fire are also linked with warming of Himalayan region.
- Conversion of forest to agricultural land, and the exploitation of forests for timber, fodder and fuel wood are some of the main threats to biodiversity in this region.

Steps can be taken

- Early Warning System: It is important to have early warning and better weather forecast systems in order to forecast the disaster and alert the local population and tourists.
- Regional Cooperation: There is a need for a trans-boundary coalition of Himalayan countries to share and disseminate knowledge about the mountains and preservation of the ecology there.
- Area Specific Sustainable Plan: What is most critical is to review the area’s present status and draw up a sustainable plan that respects the specific requirements of this fragile region and the impact of the climate crisis.
- Promote Ecotourism: Initiating a dialogue on adverse impacts of commercial tourism and promoting ecotourism.
- Sustainable Development: Government must strive for achieving sustainable development not only development that is against the ecology.
- Detailed Project Reports (DPR), Environment Impact Assessment (EIA) and Social Impact Assessment (SIA) are needed before implementing any project.

Conclusion

From the mega road expansion project in the name of national security to building cascading hydroelectric power projects, from unplanned expansion of towns to unsustainable tourism, the Indian State has ignored warnings about the fragile Himalayan ecology.

The need of the hour is that governments have a changing course to help preserve natural riches including human lives.

DAILY QUIZ

1. Consider the following statements:
 1. Chakma and Hajong are ethnic communities who fled from erstwhile east Pakistan and settled in Arunachal Pradesh.
 2. Chamkas are predominantly Hindus while the Hajongs are Buddhists.
 3. Chamkas and Hajongs come directly under the ambit of Citizenship Amendment Act, 2019.

Which of the statements given above is/are correct?

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

2. Consider the following statements:

It is located in the Tungabhadra basin in Bellary district.

1. The wide chariot streets flanked by the row of pillared mandapas is one of the unique features of temples of this city.
2. By 1500 CE, it was India’s richest and the world’s second-largest medieval-era city after Beijing.
3. The city was conquered and destroyed in the battle of Talikota.

The above statements most appropriately describe which of the following ancient cities of India?

- a) Kancheepuram
- b) Thanjavur

- c) Madurai
d) **Hampi**
3. Which of the following products of West Bengal is awarded the Geographical Indication (GI) tag?
1. Madur Floor Mats
 2. Wooden Mask of Kushmandi
 3. Purulia Chhau Mask
 4. Gobindobhog Rice

Select the correct answer using the code given below:

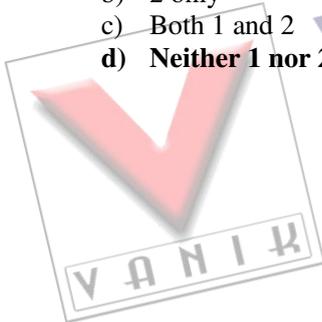
- a) 1 and 2 only
b) 2 and 3 only
c) 1 and 4 only
d) **1, 2, 3 and 4**
4. Consider the following statements:
1. Sree Narayana Guru was the proponent of Advaita Vedanta.
 2. Sree Narayana Guru provided the impetus for Vaikom agitation which was aimed at temple entry for lower castes.

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
5. With reference to National Monetisation Pipeline (NMP), consider the following statements:
1. The assets of the central and state government public sector undertakings will be divested.
 2. It envisages asset monetisation of greenfield projects.

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**



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