

ECONOMY**SWAMIH Fund**

Recently, the SWAMIH (Special Window for Affordable & Mid-Income Housing) fund has made its first complete exit from an investment made for completion of a residential project in Mumbai. It has already completed over 1,500 homes in seven projects and is on track to complete at least 10,000 homes every year.

Key Points**About:**

- This is a government backed fund that was set up as a Category-II AIF (Alternate Investment Fund) debt fund registered with SEBI (Securities and Exchange Board of India), launched in 2019.
- 1. Liquidity squeeze and the cash trap situation that the real estate sector faced in 2019 made things difficult, prompting the government to launch this scheme.
- 2. Liquidity squeeze or cash trap is a situation where interest rates are as low so that investors prefer to save rather than invest.
- The Investment Manager of the Fund is SBI(State Bank of India)CAP Ventures, a wholly-owned subsidiary of SBI Capital Markets, which in turn is a wholly-owned subsidiary of the SBI.
- The Sponsor of the Fund is the Secretary, Department of Economic Affairs, Ministry of Finance, on behalf of the Government of India.

Eligibility Criteria:

- The real estate projects seeking last-mile funding from SWAMIH must be Real Estate (Regulation and Development) Act (RERA)-registered which have been stalled due to a lack of adequate funds. Each of these projects must be very close to completion.
- They must also fall under the 'Affordable and Middle Income Project' category (any housing projects wherein housing units do not exceed 200 sq.m.).
- Net-worth positive projects are also eligible for SWAMIH funding. Net-worth positive projects are those projects for which the value of their receivables (debts owed to them by buyers), plus the value of their unsold inventories is greater than their completion costs and outstanding liabilities

Aim:

- To provide financing to enable completion of stalled housing projects and ensure delivery of apartments to homebuyers.

Significance of Fund:

- It helps unlock liquidity in the real estate sector and provide a boost to core industries such as cement and steel.

Alternative Investment Fund**About:**

- Any fund established or incorporated in India which is a privately pooled investment vehicle which collects funds from sophisticated investors, whether Indian or foreign, for investing it in accordance with a defined investment policy for the benefit of its investors.
- 1. Regulation 2(1)(b) of Securities and Exchange Board of India (SEBI) Regulations (AIFs), 2012 lays down the definition of AIFs.
- 2. AIF does not include funds covered under the SEBI (Mutual Funds) Regulations, 1996, SEBI (Collective Investment Schemes) Regulations, 1999 or any other regulations of the Board to regulate fund management activities.

INTERNATIONAL RELATION**Defence Joint Working Group: India- Israel**

Recently, at the 15th Joint Working Group (JWG) meeting on Bilateral Defence Cooperation between India and Israel, has agreed to form a Task Force to formulate a comprehensive Ten-Year Roadmap to identify new areas of cooperation.

Key Points

- The JWG is the apex body of the defence ministries of both the countries meant to "comprehensively review and guide all aspects of Bilateral Defence Cooperation.
- At the meeting, it was also decided to form a Sub Working Groups (SWG) on Defence Industry Cooperation. The formation of this SWG would enable
 1. Efficient utilisation of bilateral resources,
 2. Effective flow of technologies and sharing industrial capabilities.
- It was also decided to schedule the Service level Staff talks in a specific time frame.

India-Israel Defence Cooperation

- **Background:** The strategic cooperation between the two countries began during the Sino-India War of 1962.
 1. In 1965, Israel supplied M-58 160-mm mortar ammunition to India in the war against Pakistan.

2. It was one of the few countries that chose not to condemn India's Pokhran nuclear tests in 1998.
3. It continued its arms trade with India even after the sanctions and international isolation after the nuclear tests.
 - **Respective National Interests:** The strong bilateral ties of India and Israel are driven by their respective national interests.
 1. India's long-sought goals of military modernisation
 2. Israel's comparative advantage in commercialising its arms industries.
 - **Scope:** The ambit of defence cooperation has widened to include other domains like space, counter-terrorism, and cyber security and intelligence sharing besides Israeli arms sales to India.
 1. India was the largest arms customer of Israel in 2017 with sales worth 715 million USD.
 2. According to the Stockholm International Peace Research Institute (SIPRI) report, Israel is the third largest supplier of defence items to India after Russia and the USA, the first and second respectively.
 - **Defence Technologies Imported by India from Israel:**
 1. **Unmanned Aerial Vehicles (UAVs):**
 - ✓ **Searcher:** It is a multi-mission tactical Unmanned Air Vehicle (UAV) for surveillance, target acquisition, artillery adjustment and damage assessment.
 - ✓ **Hermes 900:** In December 2018, Adani Defence and Elbit Systems inaugurated the first India-Israel joint venture in defence at Hyderabad.
 - ✓ **Heron:** It is a medium-altitude long-endurance UAV system primarily designed to perform strategic actions .
 - **Air Defence Systems:BARAK:** The surface-to-air missile can be deployed as a low-range air defence interceptor. In India, the BARAK version is known as BARAK-8 (for naval vessels).
 - **Missiles:**
 2. **Spike:** These are the 4th generation Anti-Tank Missiles with a range of up to 4km, which can be operated in fire-and-forget mode. These are manufactured by the Rafael Advanced Defence Systems, Israel.
 3. **Crystal Maze:** It is an Indian variant of the air-to-surface missile AGM-142A Popeye – jointly developed by the Israeli-based Rafael and US-based Lockheed Martin.
 - **Sensors:**
 1. **Search Track and Guidance Radar (STGR):** India imported the STGR radar to make INS Kolkata, INS Shivalik and Kamorta-class frigates compatible for deploying BARAK-8 SAM missiles.
 2. **Phalcon:** This Airborne Warning and Control System (AWACS), is also hailed as Indian Airforce Force's "eyes in the skies".

Significance of India-Israel Defence Cooperation:

- **Patrolling and Surveillance:** The Israeli imports eases the operational ability of armed forces in wartime. For instance, the missile defence systems, and ammunition played a crucial role in controlling the escalation between India and Pakistan post-Balakot air strikes.
- **Make in India:** The export-oriented Israeli defence industry and its openness to establishing joint ventures complement both 'Make in India' and 'Make with India' in defence.
- **Trusted Supplier:** Israel has always been a 'no-questions-asked supplier', i.e., it transfers even its most advanced technology without placing limits to its use. Its credibility was reinforced during the Kargil War of 1999.

Way Forward

- **India-Israel-US Triangle:** As the USA sees a major role for India in maintaining the balance of power in the Indo-Pacific more technologies are likely to be transferable in the future. With improving strategic understanding between India and the US these technologies can be flexibly deployed to various wings of the military.
- **Upscaling Joint Ventures:** Indo-Israel defence cooperation must be up-scaled in terms of Joint Ventures (JV) and Joint Research and Development (RD) which can be a force multiplier to realistically achieve India's ambition to be a major global power.
- **Harnessing the Technological Expertise:** The strategic cooperation between India and Israel carries immense potential and is only set to grow further. The arms trade will remain the bedrock of this bilateral engagement as the two nations seek a wider convergence. With the ideological and leadership winds blowing in favour of a burgeoning partnership, the time is ripe for India to harness the technological expertise from Israel to modernise an ailing indigenous defence industry.

SOCIAL ISSUE

Dearth of Funds in MGNREGA

The Centre's flagship rural employment scheme (MGNREGA) has run out of funds halfway through the financial year. This means that payments for MGNREGA workers as well as material costs will be delayed, unless the States dip into their own funds.

- Earlier, the government introduced the category-wise wage payment system for SC, ST and others, as made applicable from this current financial year (2021-22), to accurately reflect on the ground flow of funds to various population groups.

Key Points

MGNREGA Scheme:

- The Mahatma Gandhi National Rural Employment Guarantee Act, earlier known as the National Rural Employment Guarantee Act was passed in 2005 to augment employment generation and social security in India.
- The scheme is a demand-driven wage employment scheme, which functions under the Ministry of Rural Development.
- Every adult member of a household in a rural area with a job card is eligible for a job under the scheme.
- The scheme envisages providing 100 days of guaranteed wage employment in a financial year to adult member volunteers for unskilled manual work.
- It covers all districts of India except the ones with 100% urban population.
- There is also a provision for additional 50 days of unskilled wage employment in drought/natural calamity notified rural areas.
- As per Section 3(4) of the MGNREGA, the States may make provisions for providing additional days beyond the period guaranteed under the Act from their own funds.

Issues with MGNREGA:

- **Ridiculously Low Wage Rate:**
 1. Currently, the MNREGA wage rates of at least 17 of the 21 major states are even lower than the state minimum wage for agriculture. The shortfall is in the range of 2-33% of the minimum wage.
 2. The National Sample Survey Office (NSSO), 2017 data shows that the average daily wage for general agricultural labourers is Rs. 264.05 for men, and Rs. 205.32 for women. The ridiculously low wage rates have resulted in lack of interest among workers in working for MGNREGA schemes, making way for contractors and middle men to take control locally.
- **Inadequate Financing:** Due to lack of funds, state governments find it difficult to meet the demand for employment under MGNREGA.
- **Delay in Payment of Wages:**
 1. Most states have failed to disburse wages within 15 days as mandated by MGNREGA. In addition, workers are not compensated for a delay in payment of wages. This has turned the scheme into a supply-based programme and subsequently, workers had begun to lose interest in working under it.
 2. A 2016 judgement of the Supreme Court described pending wage payments under MGNREGA as “a clear constitutional breach committed by the State” and “a modern form of begar”.
- **Ineffective Role of PRI:** With very little autonomy, gram panchayats are not able to implement this act in an effective and efficient manner.
- **Large Number of Incomplete works:** There has been a delay in the completion of works under MGNREGA and inspection of projects has been irregular. Also, there is an issue of quality of work and asset creation under MGNREGA.
- **Fabrication of Job cards:** There are several issues related to the existence of fake job cards, the inclusion of fictitious names, missing entries and delays in making entries in job cards.

Way Forward

- **Must Ensure Work is Provided:**
 1. The government must ensure that work is provided notwithstanding the demand.
 2. The government should expand the scheme and focus on value addition and multiply community asset works.
- **Strengthening the Scheme:**
 1. There is a need for better coordination between various government departments and the mechanism to allot and measure the work.
 2. This is one of the best welfare schemes in recent years and it has helped the rural poor. However, government officials must take the initiative to implement the scheme and must not block the work.
- **Gender Wage Gap:**
 1. Some discrepancies in the payouts need to be addressed, too. Women in the sector, on an average, earn 22.24% less than their male counterparts.

BIODIVERSITY & ENVIRONMENT

Emissions Gap Report 2021: UNEP

Recently, the United Nations Environment Programme (UNEP)'s Emissions Gap Report 2021 has been published. This is the twelfth edition of the UNEP Emissions Gap Report. It informs that the new national

climate pledges combined with other mitigation measures put the world on track for a global temperature rise of 2.7°C by the end of the century.

Key Points

GHGs Continue to Rise:

- Following an unprecedented drop of 5.4 % in 2020, global carbon dioxide emissions are bouncing back to pre-COVID levels, and concentrations of GreenHouse Gases (GHGs) in the atmosphere continue to rise.

New Mitigation Pledges:

- New mitigation pledges for 2030 show some progress, but their aggregate effect on global emissions is insufficient.
- As a group, G20 members are not on track to achieve either their original or new 2030 pledges. Ten G20 members are on track to achieve their previous Nationally Determined Contributions (NDC), while seven are off track.
- Compared to previous unconditional NDCs, the new pledges for 2030 reduce projected 2030 emissions by only 7.5 %, whereas 30 % is needed for 2°C and 55 % is needed for 1.5°C.

Net-zero Emissions:

- The long-term net-zero emissions pledged by 50 countries, covering more than half of global emissions show large ambiguities. Net zero emission means that all man-made greenhouse gas emissions must be removed from the atmosphere through reduction measures, thus reducing the Earth's net climate balance, after removal via natural and artificial sink.
- Few of the G20 members' NDC targets put emissions on a clear path towards net-zero pledges.
- There is an urgent need to back these pledges up with near-term targets and actions that give confidence that net-zero emissions can ultimately be achieved and the remaining carbon budget kept.

Global Warming:

- At the end of the century global warming is estimated at 2.7°C if all unconditional 2030 pledges are fully implemented and 2.6°C if all conditional pledges are also implemented.
- If the net-zero emissions pledges are additionally fully implemented, this estimate is lowered to around 2.2°C.

Methane Emission:

- Reduction of methane emissions from the fossil fuel, waste and agriculture sectors can contribute significantly to closing the emissions gap and reduce warming in the short term.

Carbon Markets:

- Carbon market can deliver real emissions abatement and drive ambition, but only when rules are clearly defined, designed to ensure that transactions reflect actual reductions in emissions, and supported by arrangements to track progress and provide transparency.

Current Situation:

- The current atmospheric carbon dioxide (CO₂) concentrations are higher than at any time in the last two million years.
- At present, there are no estimates available of total global GHG emissions for 2020. However, the COVID-19 pandemic led to an unprecedented 5.4 % drop in CO₂ emissions in 2020, with a smaller drop in total GHG emissions expected for the year.
- From 2010 to 2019, GHG emissions grew by 1.3 % per year on average, both with and without land-use change (LUC). GHG emissions reached a record high of 51.5 gigatons of CO₂ equivalent (GtCO₂e) in 2019 without LUC emissions and 58.1 GtCO₂e when including LUC.

Initiatives to Reduce Emissions in India:

1. Shift from Bharat Stage-IV (BS-IV) to Bharat Stage-VI (BS-VI) emission norms.
2. Distribution of LED bulbs under the UJALA scheme.
3. Formation of International Solar Alliance.
4. Launch of the National Action Plan on Climate Change (NAPCC).
5. Roadmap for Ethanol Blending in India by 2025.

United Nations Environment Programme (UNEP)

About:

- It is a leading global environmental authority established on 5th June 1972.
- It sets the global environmental agenda, promotes sustainable development within the United Nations system, and serves as an authoritative advocate for global environment protection.

Headquarters: Nairobi, Kenya.

Major Reports: Emission Gap Report, Adaptation Gap Report, Global Environment Outlook, Frontiers, Invest into Healthy Planet.

Major Campaigns: Beat Pollution, UN75, World Environment Day, Wild for Life.

Emissions Gap Report : It assesses the gap between anticipated emissions in 2030 and levels consistent with the 1.5°C and 2°C targets of the Paris Agreement. Every year, the report features ways to bridge the gap.

IMPORTANT FACTS FOR PRELIM

Samudrayaan Mission

Recently, the Ministry of Earth Sciences (MoES) has launched India's first manned ocean mission "Samudrayaan" in Chennai. With this Unique Ocean Mission, India joined the elite club of nations such as the US, Russia, France, Japan, and China to have niche technology and vehicles to carry out subsea activities.

Key Points

About:

- It is India's first unique manned ocean mission that aims to send men into the deep sea in a submersible vehicle for deep-ocean exploration and mining of rare minerals.
- It will send three persons in a manned submersible vehicle MATSYA 6000 to a depth of 6000 metres into the sea for deep underwater studies. Submarines go only about 200 metres.
- It is a part of the Rs 6000-crores Deep Ocean Mission.

Deep Ocean Mission

- It was approved in June 2021 by the (MoES). It aims to explore the deep ocean for resources, develop deep-sea technologies for sustainable use of ocean resources, and support the Blue Economy Initiatives of the Indian Government.
- The cost of the Mission has been estimated at Rs. 4,077 crore over a five-year period and will be implemented in phases.

MATSYA 6000:

- It is an indigenously developed manned submersible vehicle.
- It will facilitate the MoES in conducting deep ocean exploration of resources such as gas hydrates, polymetallic manganese nodules, hydro-thermal sulfides, and cobalt crusts which are located at an approximate depth between 1000 and 5500 metres. Polymetallic nodules, also called manganese nodules, are mineral concretions on the sea bottom formed of concentric layers of iron and manganese hydroxides around a core.

Significance:

- This will open up more growth avenues to explore ocean resources for clean energy, drinking water, and blue economy.
- Developed countries have already carried out similar ocean missions. India is the 1st country among the developing nations to carry out a deep ocean mission.

Other Related Initiatives:

1. India-Norway Task Force on Blue Economy for Sustainable Development.
2. Sagarmala Project.
3. O-SMART.
4. Integrated Coastal Zone Management.
5. National Fisheries Policy.

DAILY ANSWER WRITING PRACTICE

Qns. India's relationship with ASEAN is a key pillar of our foreign policy and the foundation of our Act East Policy. Analyse the significance of India- ASEAN strategic partnership and its implications on India (250 words)

Ans:

Introduction

India's relationship with ASEAN has emerged as a key cornerstone of our foreign policy. The relationship has evolved from the 'Look East Policy' enunciated in early 1990s, to Strategic Partnership in 2012. Since 2014, India is espousing 'Act East Policy' that has enhanced the partnership further.

ASEAN-India Strategic Partnership stands on a strong foundation of shared geographical, historical and civilizational ties. ASEAN is central to our Act East Policy and our wider vision of the Indo-Pacific. India and ASEAN will observe 30 years of their Dialogue Partnership in 2022.

Body

Significance of India- ASEAN strategic partnership and its implications on India

- **Economic Significance**
 1. 3 Cs—Culture, Connectivity and Commerce—will shape India's ties with the ASEAN bloc.
 2. Connecting India's North-eastern states with ASEAN.
 3. India is part of ASEAN led RCEP which aims to create the world's largest free trade area with more than a third of the global GDP and commerce.
 4. For the first time, bilateral trade between ASEAN and India has crossed US\$ 80 billion mark.
 5. Singapore has become India's investment and trading hub in the East.

• **Security Significance**

1. ASEAN occupies a central place in the security architecture of the Indo-Pacific region
2. Maritime cooperation in terms of connectivity, safety and security has gained high attention.
3. India and ASEAN can collaborate to combat terror financing, cyber security threats, tax evasions and many more.
4. India needs ASEAN support in achieving a rules-based regional security architecture.

• **Geo-Strategic Significance**

1. Partnership with ASEAN nations might help India counter the growing presence of Beijing.
2. ASEAN is seen as the most successful regional organisation next only to the EU
3. To develop connectivity through water, ASEAN and India are working on the Kaladan Multi-Modal Transit Transport Project.
4. ASEAN-India cooperation in maritime domain is one of the key focus areas for growth and development of the Indo-Pacific region.

Enhancing India-Asean relation further

- The recent loss of US market by the ASEAN nations can be compensated with the domestic demand in India which has been increasing with the rise of middle class in the country.
- In terms of security challenges, both ASEAN and India are faced with grave vulnerabilities with regard to terrorism and it is in their common interest to work together to build peace and security in the region.
- With the withdrawal of US troops from strategic locations in the region, ASEAN countries justifiably perceive India, with the largest Naval forces in the Indian Ocean and nuclear capabilities, a strategic partner to balance China's growing power in the region.
- While East Asia is on the verge of entering a phase of lower share of working age population India is entering a phase with a higher share of working age population which can prove to be a human resource base for East Asia.
- Along with East Asian specialization in manufactures, India's strength in services could result in a formidable strategic combination which may be mutually beneficial for both the sides.
- India has welcomed the Indo-Pacific document by ASEAN and is pushing for early conclusion of code of conduct on South China Sea by ASEAN and China.

Conclusion

The region has become strategically important for India due to its growing importance in the world politics. And for India to be a regional power as it claims to be, continuing to enhance its relations with ASEAN in all spheres must be a priority.

DAILY QUIZ

Q1. Consider the following statements:

1. Mullaperiyar Dam is located in Tamil Nadu.
2. The dam is located on the confluence of the Periyar and Vaigai rivers.

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**

Q2. Consider the following statements:

1. Adjusted Gross Revenue (AGR) is the usage and licensing fee that telecom operators are charged by the Department of Telecommunications (DoT).
2. It is divided into spectrum usage charges and licensing fees, pegged between 30-50 percent and 80 percent respectively.

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

Q3. Consider the following statements about the West Bank:

1. It is a landlocked territory near the Mediterranean coast of Western Africa.
2. It is bordered by Jordan and Israel only.

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

Q4. Which one of the following has recently released a report on CO2 emissions?

- a. WRI **b. WMO** c. UNEP d. WWF

Q5. Which one of the following ethnic minorities were described by UN Secretary-General Antonio Guterres as "one of, if not the, most discriminated people in the world"?

- a. Palestinians b. Syrians c. Kurdish people **d. Rohingya**