

NATIONAL

NATIONAL DIGITAL COMMUNICATIONS POLICY 2018

- The Union Cabinet has approved the National Digital Communications Policy 2018 (NDCP-2018) and re-designation of the Telecom Commission as the "Digital Communications Commission".
- The NDCP 2018 envisions supporting India's transition to a digitally empowered economy and society by fulfilling the information and communications needs of citizens and enterprises by establishment of a ubiquitous, resilient and affordable digital communications infrastructure and services.
- The 'Customer focused' and 'application driven' NDCP-2018 shall lead to new ideas and innovations, after the launch of advanced technology such as 5G, IOT, M2M, etc. which shall govern the telecom sector of India.
- The key objectives of the policy are:
 - ✓ Broadband for all;
 - ✓ Creating four million additional jobs in the Digital Communications sector;
 - ✓ Enhancing the contribution of the Digital Communications sector to 8% of India's GDP from ~ 6% in 2017;
 - ✓ Propelling India to the Top 50 Nations in the ICT Development Index of ITU from 134 in 2017;
 - ✓ Enhancing India's contribution to Global Value Chains; and
 - ✓ Ensuring Digital Sovereignty.
- These objectives are to be achieved by 2022.
- The policy aims to:
 - ✓ Provide universal broadband connectivity at 50 Mbps to every citizen;
 - ✓ Provide 1 Gbps connectivity to all Gram Panchayats by 2020 and 10 Gbps by 2022;
 - ✓ Ensure connectivity to all uncovered areas;
 - ✓ Attract investments of USD 100 billion in the Digital Communications Sector;
 - ✓ Train one million manpower for building New Age Skill;
 - ✓ Expand IoT ecosystem to 5 billion connected devices;
 - ✓ Establish a comprehensive data protection regime for digital communications that safeguards the privacy, autonomy and choice of individuals
 - ✓ Facilitate India's effective participation in the global digital economy;
 - ✓ Enforce accountability through appropriate institutional mechanisms to assure citizens of safe and
 - ✓ Secure digital communications infrastructure and services.
- The policy advocates:-
 - ✓ Establishment of a National Digital Grid by creating a National Fibre Authority;
 - ✓ Establishing Common Service Ducts and utility corridors in all new city and highway road projects;
 - ✓ Creating a collaborative institutional mechanism between Centre, States and Local Bodies for Common Rights of Way, standardization of costs and timelines;
 - ✓ Removal of barriers to approvals; and
 - ✓ Facilitating development of Open Access Next Generation Networks.
- Background: As the present world has entered the era of modern technological advancements in the Telecom Sector such as 5G, IoT, M2M etc., a need was being felt to introduce a 'customer focused' and 'application driven' policy for the Indian Telecom Sector, which can form the main pillar of Digital India by addressing emerging opportunities for expanding not only the availability of telecom services but also telecom based services.
- Accordingly, the new National Digital Communications Policy 2018 has been formulated, in place of the existing National Telecom Policy 2012, to cater to the modern needs of the digital communications sector of India.

ATAL BIMIT VYAKTI KALYAN YOJNA

- Around 3.2 crore Insured Persons (IPs) will benefit from newly launched scheme of ESIC 'Atal Bimit Vyakti Kalyan Yojna'. The ESI Corporation has approved 'ATAL BIMIT VYAKTI KALYAN YOJNA' for Insured Persons (IP) covered under the Employees' State Insurance Act, 1948. This scheme is a relief payable in cash directly to the Bank Account in case of unemployment and while they search for new engagement.
- The cash benefit given to the unemployed persons searching for new employment will be 25% of his average earning of 90 days. There are around six crores of workers in organized sector who are getting benefits of EPFO, ESIC and Social Security Schemes. Pradhan Mantri Jeewan Jyoti Beema Yojna and Pradhan Mantri Suraksha Beema Yojna are totally free for unorganized workers.
- Recently 7th National Conference on Security and Safety at Workplace and distribution of Safety Systems Excellence Awards was held in New Delhi.

'PROJECT SAMPARK' IN NEWS

- Director General Border Roads (DGBR) Lt Gen Harpal Singh, visited Project Sampark in Jammu & Kashmir. In his three-day visit he inspected the roads Parole-Korepanu-Rajpura, Reasi-Arnas-Mahore, Reasi-Pouni-Siar-Rajouri, Budhal-Mahore-Gul, Roads in forward area, bridges Ujh and Bein in Kathua sector and other roads in Project Sampark. He also dedicated the Road Pt 703-Bijli in Sunderbani Sector for Army.
- The **Project Sampark** was raised on January 1, 1975 with an aim to develop and maintain the operational road infrastructure of Armed Forces in Border Areas of the State of Jammu and Kashmir. It has grown from strength to strength and the work load has increased from 843 Km of roads in 1975 to 2310 Km of roads and 145 Km of Ditch Cum Bund in 2000-01.
- Major achievements of the Project are construction of Roads Budhil-Mohr-Gul, Basoli-Bani-Bhaderwah, Nagrota By Pass; strengthening and improvement to NH double lane specification of the Roads Jammu-Rajouri-Poonch, Chakki-Dhar-Udhampur, Rajouri-Kandi-Budhil-Mohr-Gul.
- The Project has been assigned the task of four laning of National Highway Pathankot-Jammu and is thus the first Project of BRO to be selected to participate in the development of the North-South corridor, the ambitious plan of the Prime Minister.

- *Atal Setu* is a big achievement for a Project Sampark. This Bridge constructed by Boarder Roads Organisation has been a major challenge in the department, considering its Span & Type. Atal Setu at Km 14.74 on Dunera-Basholi-Baderwah road has been dedicated to nation on 24 Dec 2015 by Shri Manohar Parrikar, Defence Minister. This bridge is located at Basholi Town in J&K bordering Punjab state and will be a direct road link for access to Kashmir from Pathankot in Punjab and Barikhet in Himachal Pradesh.

CENTRE OF EXCELLENCE FOR DATA ANALYTICS LAUNCHED

- National Informatics Centre (NIC) and National Informatics Centre Services Incorporated (NICSI) have jointly set up a Centre of Excellence for Data Analytics (CEDA) to support Government departments to unlock the hidden potential of the data that they are generating as part of the governance processes and use it to improve the overall governance.
- CEDA will aid in fast-tracking the adoption of advanced analytics in government. In the era of rapid digitization of various government functions and services under Government of India's flagship Digital India program, the centre aims to strengthen citizen service delivery through data-driven governance.
- The Centre of Excellence for Data Analytics (CEDA) has been created to support government departments to unlock the hidden potential of the data that they are generating as a part of the governance processes, and use it to improve the overall governance. It will provide world class data analytics services to the Government. Through its service offerings, CEDA aims to:
 - ✓ Be a focal point and centre of expertise in data analytics for government and public sector
 - ✓ Help ministries in assessing impact from the analytics solutions and help in understanding changes to organizational roles and responsibilities
 - ✓ Facilitate faster and cost effective technology adoption (BestCurrentAffairs.com)
 - ✓ Promote capacity building and enable the departments to self-service analytics with minimum technical support
 - ✓ Implement knowledge repository to collect learnings from across projects and share best practices across initiatives to ensure adoption of best practices
- It aims at providing following services to Government:-
 - ✓ Data Quality Assurance Services – The centre will provide data profiling tools and techniques and necessary expertise to analyse the data for quality issues. While data cleaning shall be done for making the data ready for analytical use, recommendations shall also be given in order to help the department take necessary actions to further improve their data collection process.
 - ✓ Custom-built Data Analytics Solutions – Build analytic solutions that are specific to a particular problem which may relate to a single or a combination of departments.
 - ✓ Develop reusable assets - This will be one of the many USPs of the centre. CEDA will build Data Analytic solutions that address a generic data analytics problem that is prevalent across departments or States. Such a solution will then be made available to other departments/states as a pre-built analytic solution that can be operationalized for the new States at a cost effective and a much faster rate.
 - ✓ Knowledge Management – CEDA will implement knowledge repository to collect learnings from across projects and share best practices across initiatives and will ensure usage of best practices in across the government.
 - ✓ Capacity Building and Self Service Analytics – Besides creating the analytics solutions for the government departments, the centre's focus would also be to train and enable the departments to do self-service analytics by simplifying the data in a manner in which an administrator can use it with minimum technical support.
 - ✓ Change Management - CEDA will help ministries in assessing impact from the analytics solutions and help in understanding changes to organizational roles and responsibilities.
- NIC as a premier technology advisor and ICT solution provider to Government at all levels, has always taken the first step to introduce the latest technologies and services in government, be it the introduction of ICT in Government, establishment of NICNET or National Knowledge Network (NKN), development of critical e-Governance solutions and a host of other services required by the Government.
- NICSI is a trusted partner of NIC and has been instrumental in supporting all NIC's initiatives through provisioning of resources and establishing & managing ICT infrastructure such as National Data Center at Shastri Park, Development Center, Cloud infrastructure etc.

DIGIVAARTA LAUNCHED

- DigiVaarta was launched in Delhi with the express intention of spreading awareness on DigiDhan, and also to spread popularity of BHIM's barcode-based merchant payment mode with merchants and traders at large. This launch has two components–
 - ✓ An SMS application which operates from NIC's SMS Gateway on a special Short-code service allotted for this purpose by DoT with the number "14444". Citizens will receive SMS messages which are pre-approved by experts and the response messages will be made available for further action, analysis and research. The Government proposes initially to pay for the citizen's response so as to promote citizen's engagement and make the awareness program completely free for the citizen.
 - ✓ A Mobile application version of DigiVaarta, which can be accessed and used by smart phone users. This app can perform many more function beyond chat, offers audio-video tutorials etc.
- The initiative aims to enable citizen government dialogue and engage citizens in educational and outreach programmes. With the mobile phone as its interface, DigiVaarta's content and communication style is interactive and adaptive. The same message can be used to interact with both smart phone and feature phone users. It can engage the user over multiple channels in a 2-way interaction, using different content styles (stories, images, videos, discussions and polls) in different languages. DigiVaarta has been launched to spread awareness amongst the common public on digital payment topics such as BHIM, Aadhar Enabled Payment Systems (AePS), Bharat QR, and Security Do's and Don'ts to begin with.

STATE DISASTER RESPONSE FUND (SDRF): LATEST

- Government of India has taken an important decision to enhance its contribution in the State Disaster Response fund (SDRF) from 75% to 90%. w.e.f. 1st April 2018.

- Central Government will contribute 90% and all States will contribute 10% to the SDRF. The additional contribution by Central Government in SDRF on this account will be Rs. 1690.35 crore for the year 2018-19 and Rs. 1774.67 crore for the financial year 2019-20.
- Under the Disaster Management Act 2005, a financial mechanism has been set up by way of National Disaster Response Fund (NDRF) at national level and State Disaster Response Fund (SDRF) at state level to meet the rescue and relief expenditure during any notified disaster.
- SDRF has been constituted in each State in which Centre, so far, had been contributing 75% for General Category States and 90% for Special Category States of hilly regions every year. SDRF is a resource available to the States to meet the expenses of relief operations of immediate nature, for a range of specified disasters.
- At any point, the State Government has fair amount of funds available under the SDRF. In case of any natural calamity beyond the coping capacity of a State, additional financial assistance, as per norms, is provided by the Central Government from NDRF, in which 100% funding is by the Central Government.
- Based on the recommendations of successive Finance Commission, Government of India approves the annual allocation to SDRF. On the recommendations of 14th Finance Commission, the Government has significantly enhanced the allocation to SDRF by 82.30% i.e. from Rs. 33,580.93 crore during the years 2010-11 to 2014-15 to Rs. 61,220 crore for the years 2015-16 to 2019-20.
- In addition the Central Government has provided the additional financial assistance of Rs 32,142 crore from NDRF to States during 2014-2018 compared to Rs 14,098 crore provided during 2010-2014, which is also significantly higher.

INDIA-UN SUSTAINABLE DEVELOPMENT FRAMEWORK 2018-2022

- CEO NITI Aayog, Amitabh Kant and United Nations Resident Coordinator in India, Yuri Afanasiev, signed the Government of India-United Nations Sustainable Development Framework (UNSDF) for 2018-2022 (5 Years).
- Government of India-United Nations Sustainable Development Framework (SDF) 2018-2022 outlines the work of UN agencies in India, to support the achievement of key development outcomes that have been identified in consultation with the government and are aligned to the national priorities.
- The NITI Aayog is the national counterpart for the UN in India for the operationalization of the UNSDF. Nineteen (19) UN agencies have signed on the UNSDF 2018-2022.
- The UNSDF 2018-22 comprises of seven priority areas that outline the work that UN agencies will undertake jointly or individually, fully aligned with the priorities of the GoI. The seven priority areas outlined in the UNSDF are: 1. Poverty and Urbanization; 2. Health, Water, and Sanitation; 3. Education and Employability; 4. Nutrition and Food Security; 5. Climate Change, Clean Energy, and Disaster Resilience; 6. Skilling, Entrepreneurship, and Job Creation; and 7. Gender Equality and Youth Development.
- Vice Chairperson: NITI Aayog, Dr. Rajiv Kumar

20TH LIVESTOCK CENSUS

- The 20th Livestock Census will be conducted in all districts of the Indian Union in participation with all States and Union Territories. States/UTs have been requested to start the census operations from 1st October, 2018.
- Various species of animals (Cattle, Buffalo, Mithun, Yak, Sheep, Goat, Pig, Horse, Pony, Mule, Donkey Camel, Dog, Rabbit and Elephant)/poultry birds (Fowl, Duck, Emu, Turkeys, Quail and other poultry birds) possessed by the households, household enterprises/non-household enterprises and institutions will be counted at their site.
- 20th Livestock Census would be a breed-wise Livestock Census which will be helpful for framing policies or programmes for breed improvement.
- The breeds of various major species including poultry as registered by National Bureau of Animal Genetic Resources (NBAGR) will be covered in the Livestock Census.
- Further, the latest data on fishermen folk are available as per Livestock Census 2003 only. Therefore, the fishery part is a very important component so as to capture the information of fishermen families and infrastructure available for both inland and marine sector.
- The Livestock Census has been conducted in the country periodically since 1919-20. The Livestock Census usually covers all domesticated animals and headcounts of those animals will be carried out during a specific time period. So far 19 such census have been conducted in participation with State Governments and UT Administrations.

RAIL HERITAGE DIGITISATION PROJECT

- Minister of Railways launched "Rail Heritage Digitisation Project" of Indian Railways in collaboration with Google Arts & Culture. The project is a landmark effort to showcase country's Rail Heritage to National and International audience in an online story-telling platform.
- Being a 165 year old organisation, the Railways has a lot of material which we need to preserve and leave behind for posterity.
- Mumbai has a special place in the Railways, being the first Railway line to be set up in India. It was way back on 16th April, 1853 when the first train ran between Bori Bunder and Thane. (BestCurrentAffairs.com)
- The Wi-Fi that has been set up in 711 stations now, have faster Wi-Fi access than any other system in the nation.
- Collaboration with Google Art & Culture, has enabled Indian Railways to digitize National Rail Museum, Rewari Steam Centre, three World Heritage Railways, CSMT Mumbai building and other prominent aspects of country's rail heritage.
- Today India has three World Heritage Railways: DHR, NMR, KSR and two World Heritage Buildings (CSMT, Churchgate), still unique feat in this part of the Globe (The other two World Heritage Railways are in Europe).
- With over 151,000 kilometres of track, 7,000 stations, 1.3 million employees and 160 years of history, the Indian Railway is one of the most celebrated railway networks in the world.

ENROLMENT OF FARMERS UNDER FASAL BIMA YOJNA

- Gram Sabhas across the country have been asked to inform the farmers about the enrolment and benefits of Pradhan Mantri Fasal Bima Yojan (PMFBY) at the beginning of the Rabi Season. The Gram Sabhas will also inform the farmers on how they can insure their crops under the Scheme.

- The Ministry of Agriculture and Farmers' Welfare has requested the Ministry of Panchayati Raj and the State Governments to include this as an agenda in the upcoming Gram Sabhas, especially for the one scheduled on 2nd October 2018, in connection with Gandhi Jayanti.
- This is also the first season for PMFBY with its revised operational guidelines in place.
- The Govt expects the companies to reduce premium rates, especially as the general cut-off date for enrolment has been advanced by 15 days for both seasons.
- As per the revised operational guidelines, the farmers get 72 hours to intimate individual claims against the existing 48 hours. This can be done through any of the channels provided under the Scheme and directly on the portal of PMFBY.

'UDYAM ABHILASHA'

- On the occasion of Birth Anniversary of Mahatma Gandhi on October 02, 2018, Small Industries Development Bank of India (SIDBI) had launched a National Level Entrepreneurship Awareness Campaign, Udyam Abhilasha in 115 Aspirational Districts identified by NITI Aayog in 28 States and reaching to around 15,000 youth.
- SIDBI will join to contribute to "the transformation mission" unleashed for these districts.
- SIDBI has partnered with CSC e-Governance Services India Limited, a Special Purpose Vehicle, (CSC SPV) set up by the Ministry of Electronics & IT, Govt. of India for implementing the campaign through their CSCs.
- SIDBI is also taking-up with stakeholders including Banks, NABARD, NBFCs, SFBs, District Industries Centres, State Govt. etc. to be a part of this campaign and ensure multifold impact. Further, CSC Village Level entrepreneurs (VLEs) would play role of catalyst for these aspiring entrepreneurs.
- Small Industries Development Bank of India (SIDBI), is the Principal Financial Institution for the Promotion, Financing, Development and Coordination of the Micro, Small and Medium Enterprise (MSME) sector.
- SIDBI, under its revamped strategy SIDBI 2.0, has adopted the theme of ease of access to MSEs and being Impact Multiplier & Digital Aggregator.
- Mohammad Mustafa: CMD, SIDBI

"DIGI YATRA" LAUNCHED

- The Union Minister of Commerce released the policy on biometric based digital processing of passengers at airports called "Digi Yatra". DigiYatra Central Platform will be operational by end of February, 2019.
- Bangalore & Hyderabad International Airports will be ready with pilot implementation by end of February, 2019.
- Airport Authority of India (AAI) intends to roll out the programme initially at Kolkata, Varanasi, Pune & Vijayawada by April, 2019.
- Under the Digi Yatra, passenger can get a Digi Yatra ID by sharing minimum details like Name, e-mail ID, Mobile number and details of one approved Identity proof where Aadhar ID is not mandatory. This DigiYatra ID will be shared by passengers while Booking ticket. Airlines will share the passenger data and DigiYatraID with the departure airport.

SWACHH BHARAT MISSION (GRAMEEN): FACTS

- The Swachh Bharat Mission (Grameen) recently launched the 150th birth year celebrations of Mahatma Gandhi, as the Mission enters its fifth and final year of implementation. The SBM has transformed into a massive jan andolan created on the ground using Information, Education, and Communication, making it a behaviour change campaign.
- Sanitation programs themselves are not a new occurrence for India, with programs being run since 1981. However, in contrast to the construction or supply led programs of the past, SBM has a demand centric model.
- Since the inception of the program, the rural sanitation coverage of India has increased significantly, from 39% in October 2014 to 95% today. Nearly 8.7 crore household toilets have been constructed under the Mission. As a result, 25 States/Union Territories, 529 districts, and 5,09,067 villages have declared themselves as free from open defecation.
- Earlier this year, the National Annual Rural Sanitation Survey (NARSS) conducted under the World Bank support project found that 93.4% of the households in rural India who have access to a toilet use it, confirming that behaviour change is happening on the ground. The survey covered 92040 households in 6136 villages across States and UTs in India.
- The Swachh Bharat Mission is the world's largest public funded sanitation program. Between the Centre and State, over Rs. 1 lakh crore would have been allocated for the Mission in 2019. In addition to the budget allocation of ₹15,000 crore this year (FY 2018-2019), ₹15,000 crore has been further allocated through Extra Budgetary Resources.
- Behaviour Change Communication is undertaken under the SBM at the ground level and is complemented with mass media at the national level as well. There are currently over 5 lakh Swachhagrahis across the country undertaking behaviour change interventions at the grassroots.
- A policy decision has been taken under the National Rural Drinking Water Programme (NRDWP) to prioritize the provision of piped water supply (PWS) for villages that become ODF. Of the 5 lakh plus ODF villages, translating to 14.13 lakh habitations, 6.16 habitations have PWS through public stand posts. The remaining are being covered on priority.
- A recent WHO study reports that Swachh Bharat would have led to saving of 300,000 lives by 2019 and around 150,000 lives would be saved annually thereafter. In a report titled '*The Financial and Economic Impact of SBM in India (2017)*' UNICEF estimated that a household in an ODF village in rural India saves Rs. 50,000 every year. BMGF has released a study that shows significant improvements in diarrhoea prevalence and stunting among children in ODF villages, compared to nearby non-ODF villages.
- The Swachh Bharat model of sanitation has led India into a sanitation revolution, and the country is on track for an ODF India by October 2019.

PERMANENT CAMPUS OF IISER'S

- The Union Cabinet approved establishment and operationalisation of permanent campuses of the two new Indian Institutes of Science Education & Research (IISERs) at Tirupati (Andhra Pradesh) and Berhampur (Odisha).
- In 2015, IISER, Tirupati was established in pursuance to the Andhra Pradesh Reorganisation Act, 2014, while IISER, Berhampur was established in 2016 in pursuance to the announcement made by the Union Finance Minister in his Budget speech, 2015. These institutes are presently functioning from transit campuses.

NATIONAL COUNCIL FOR VOCATIONAL EDUCATION AND TRAINING

- The Union Cabinet approved the merger of the existing regulatory institutions in the skills space - National Council for Vocational Training (NCVT) and the National Skill Development Agency (NSDA) into the National Council for Vocational Education and Training (NCVET).
- NCVET will regulate the functioning of entities engaged in vocational education and training, both long-term and short-term and establish minimum standards for the functioning of such entities. The primary functions of NCVET will include -
 - ✓ recognition and regulation of awarding bodies, assessment bodies and skill related information providers;
 - ✓ approval of qualifications developed by awarding bodies and Sector Skill Councils (SSCs);
 - ✓ indirect regulation of vocational training institutes through awarding bodies and assessment agencies;
 - ✓ research and information dissemination;
 - ✓ grievance redressal. (BestCurrentAffairs.com)
- The Council would be headed by a Chairperson and will have Executive and Non-Executive Members.
- An attempt towards some measure of regulation was made with the establishment of the National Skill Development Agency (NSDA) in 2013, to coordinate and harmonize the skill development efforts of the government and the private sector. The primary role of NSDA has been to anchor and operationalize the National Skills Qualification Framework (NSQF) to ensure that quality and standards meet sector specific requirements.

ONLINE ASSURANCES MONITORING SYSTEM (PARLIAMENT)

- Union Minister Vijay Goel inaugurated the Online Assurances Monitoring System (OAMS), developed by the Union Ministry of Parliamentary Affairs. This system has made the information regarding assurances given on the floor of the Houses of Parliament paper less and available in digital format.
- Since 2007, a total of 26,830 assurances given by the Ministers on the floor of the Houses were culled out by the Ministry of Parliamentary Affairs, out of which 21,439 assurances have been fulfilled and 1,903 have been dropped, leaving a total of 3,488 assurances still pending for compliance.

‘USD 5 TRILLION INDIAN ECONOMY’

- Prime Minister Narendra Modi said that the size of Indian economy will double to USD 5 trillion by 2022 with manufacturing and agriculture contributing USD 1 trillion each.
- The Working Group tasked to develop a roadmap towards achieving a 5 trillion dollar economy by 2025 has prepared its report.
- The Working Group was constituted by the Department of Industrial Policy and Promotion in the Ministry of Commerce and Industry with participation from government and industry. The sectoral sub-groups were also formed to take the task forward.
- India is one of the fastest growing major economies and is currently ranked as the world's sixth largest economy. Projections of growth, over the medium term, remain encouraging and optimistic for India. The underlying strengths are indicative of the potential of India to achieve a USD 5 trillion economy by 2025. The current structure of the economy and the emerging dynamics provide us grounds to target achieving 1 trillion dollar from agriculture and allied activities, 1 trillion from manufacturing and 3 trillion from services.
- The proposed Industrial Policy 2018 provides an overarching, sector-agnostic agenda for the enterprises of the future and envisions creating a globally competitive Indian industry that is modern, sustainable and inclusive.
- The Champion Services sector initiative is also under way to accelerate the expansion of select service sectors. The Working Group has accounted for these initiatives and encourages a fresh impetus to achieve the target of a five trillion economy.

‘SPECIAL CATEGORY STATUS’ TO STATES

- Grant of ‘Special Category Status’ to states is out of purview of the Terms of Reference of current Finance Commission.
- While the Constitution does not have any provision for categorisation of any state as a Special Category Status (SCS) State, but considering the fact that some areas in India are historically disadvantaged as compared to others, the Centre has assisted states with funds in the past allocated by the former Planning Commission body called the National Development Council (NDC).
- In the past, the NDC considered factors such as difficult and hilly terrain, low population density and/or a sizeable share of tribal population, strategic location along borders, economic and infrastructural backwardness, and non-viable nature of state finances. The NITI Aayog, which has replaced the Planning Commission, has no power to allocate funds — therefore, the discretion that the ruling party at the Centre had to dole out special favours to states through the Plan panel, no longer exists.
- The Centre says the Fourteenth Finance Commission effectively removed the concept of Special Category States after its recommendations were accepted in 2015.
- Assistance to states with Special Category Status: The Centre pays 90% of the funds required in a centrally-sponsored scheme to special category status category states as against 60% in case of normal category states, while the remaining funds are provided by the state governments.
- Finance Minister Arun Jaitley had said that for Andhra Pradesh, the Centre is committed to giving 90% of the funds, equivalent to special category states, through other means like external agencies.
- However, the Centre has agreed to give “special assistance” to AP for five years, which would make up for the additional central share the state might have received during these years — 2015-16 to 2019-20, as envisaged by Singh’s 2014 statement. This will be in the form of Union funding for externally aided projects that have been signed and disbursed during these years. AP is demanding that special assistance funding should be in the 90:10 ratio (Centre: state) for both EAPs and centrally-sponsored schemes — which adds up to about Rs 20,010 crore of central assistance. Because the state government may not be able to spend this amount on EAPs in the stipulated five years, AP is demanding that the Centre allow it to use the money to clear outstanding loans. It is seeking permission to borrow from internal lenders like NABARD, HUDCO and other commercial banks, and to use the gap to pay interest commitments to the Government of India, NABARD and EAPs.
- **Gadgil Formula** (Not Relevant now): It was related to transfer of assistance to the states by center under various scheme. This formula was formulated with the formulation of the fourth five-year plan for the distribution of plan transfers amongst the states. It was named after D. R. Gadgil, then deputy chairman of the Planning Commission.

- The National Development Council (NDC) approved the following formula:
- Special Category states like Assam, Jammu and Kashmir and Nagaland were given preference. Their needs should first be met out of the total pool of Central assistance.
- The remaining balance of the Central assistance should be distributed among the remaining states on the basis of the following criteria:
 - ✓ 60% on the basis of population;
 - ✓ 7.5% on the basis of tax effort, determined on the basis of individual State's per capita tax receipts as %age of the State's per capita income;
 - ✓ 25% on the basis of per capita state income, assistance going only to States whose per capita incomes are below the national average;
 - ✓ 7.5% for special problems of individual states.
- **Which are the other states that are demanding the Special Category Status?** Aside from Andhra Pradesh, Odisha and Bihar had demanded SCS status. However, they have not been granted the status as they did not fulfill the criteria to be qualified as an SCS State. The NDC first accorded SCS in 1969 to Jammu and Kashmir, Assam and Nagaland. Over the years, eight more states were added to the list — Arunachal Pradesh, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Sikkim, Tripura and, finally, in 2010, Uttarakhand. Until 2014-15, SCS meant these **11 states** received a variety of benefits and sops.

'ROSHNI' PROJECT IN NEWS

- Deendayal Antyodaya Yojana – National Rural Livelihood Mission (DAY-NRLM), Ministry of Rural Development and Lady Irwin College, have signed a MoU for establishing ROSHNI – Centre of Women Collectives led Social Action.
- ROSHNI is technically and financially supported by UNICEF India serving as a technical support unit at national level for DAY-NRLM and is embedded in the Department of Development Communication and Extension, Lady Irwin College, New Delhi.
- DAY-NRLM aims to reach out to 8-10 crore rural poor households (based on SECC 2011) in a time bound manner, and, stay engaged with them till they come out of abject poverty. It envisions breaking the self-perpetuating cycle of malnutrition- illness-out-of-pocket expenditure for treatment-poverty through its savings and enterprise approach and layering of Food, Health, Nutrition and WASH (FHNW) interventions through Self-help groups (SHG) and their federations.
- This is also referred to DAY-NRLM's Dashasutra (10 principles) strategy. Since launch, 5.39 crore women have been mobilised for SHGs and over 47 lakh SHGs created. DAY-NRLM is also MoRD's nodal agency for implementation of the convergent action plan under the POSHAN Abhiyaan, which in addition to MORD includes the Ministry of Woman and Child Development and Ministry of Health and Family Welfare. The four areas of convergence are - mobilisation for fixed day health, nutrition and WASH camps (Village Health Sanitation and Nutrition Day-VHSND), convergence through behaviour change communication, convergence through common use of infrastructure and promotion of nutri-based livelihoods for women collectives.
- Launched in 2016, Swabhimaan is a collaborative initiative of DAY- NRLM and UNICEF India in five poorest DAY-NRLM resource blocks in four districts of three Indian states: Bihar, Chhattisgarh and Odisha.
- Roshni aims to work with women collectives for social action on FHNW interventions in alignment with DAY-NRLM Dashasutra strategy and supporting implementation of convergent action plan under POSHAN Abhiyaan.

PHASE II OF INDIAN STRATEGIC PETROLEUM RESERVES

- Government of India's one of the key initiative towards energy security of the country - the Strategic Petroleum Reserves Program, envisions creation of additional crude oil reserves facilities in Private Public Partnership (PPP) mode and the road show for the same was launched.
- India is the 3rd largest consumer of energy and also the 3rd largest importer of crude oil in the world.
- India has a very large requirement of petroleum fuels. Demand for petroleum products has been increasing at a CAGR of 5.5% from 2013 to 2017.
- With the objective to meet the energy security, Government of India formed Indian Strategic Petroleum Reserves Limited (ISPRL), a SPV under Ministry of Petroleum and Natural Gas.
- To further improve strategic reserve, the union cabinet granted approval for establishing additional 6.5 MMT of strategic petroleum reserve which will be able to provide extra 12 days of supply.
- After a detailed study considering technical and commercial factors, two locations - Chandikhol in Odisha and Padur in Karnataka have been selected as the optimum location for these SPRs. These two SPRs will add strategic petroleum reserves of 12 days in addition to 10 days of reserves achieved in Phase I.
- Indian refiners maintain 65 days of crude storage, and when added to the storage planned and achieved by ISPRL, takes the Indian crude storage tally to 87 days. This is very close to the storage of 90 days mandated by IEA for member countries.
- On the issue of Phase-II, he said that these are large investments requiring more than 1.5 billion US dollars of capital, and the Government plans to develop this under PPP framework.
- **Background:** The Union Cabinet has now accorded in principle approval for the Phase-II SPR program which entails creation of additional storage facilities of 6.5 MMT of crude oil to be stored in underground rock caverns at Chandikhol in Odisha and Padur in Karnataka with an envisaged investment outlay of Rs.11,000 Crores(US\$ 1.6 Billion).
- The Investment model seeks partnership through DBFOT (Design, Build, Finance, Operate and Transfer) and offers prospective concessionaire the rights on the crude oil inventory as per an agreed term where the Government of India will have the first right of refusal on the inventory in times of exigencies. As a key takeaway the Concessionaire will have access to the large Indian refining market and multiple other revenue streams.

INDIAN INSTITUTE OF SKILLS

- The Union Cabinet approved the proposal for setting up of Indian Institute of Skills (IISs) at different locations across the country in Public Private Partnership (PPP), which will be explored for promotion of IIS at select locations based on demand and available infrastructure.
- The setting up of IISs shall augment the global competitiveness of key sectors of Indian economy by providing high quality skill training, applied research education and a direct and meaningful connection with industry.

- It will provide opportunity to aspiring youth across the country to have access to highly skilled training, and enhance the scope of accountability through its linkage with industry and global competitiveness across sectors.
- By leveraging advantages of private sector enterprise and public capital in terms of Government land, it would create new institutes of expertise, knowledge and competitiveness.

NATIONAL MONITORING FRAMEWORK ON SUSTAINABLE DEVELOPMENT GOALS

- The Union Cabinet approved the constitution of a High Level Steering Committee for periodically reviewing and refining the National Indicator Framework (NIF) for monitoring of Sustainable Development Goals (SDGs) with associated targets.
- The High Level Steering Committee will be chaired by Chief Statistician of India and Secretary, Ministry of Statistics and Programme Implementation (MoSPI), with the Secretaries of data source Ministries and NITI Aayog members and Secretaries of other related Ministries as special invitees, with function of reviewing of National Indicator Framework including refinement of the indicators from time to time.
- SDGs with 17 Goals and 169 Targets intend for promotion of sustainable, inclusive and equitable economic growth, creating greater opportunities for all, reducing inequalities, raising basic standards of living, fostering equitable social development and inclusion, promoting integrated and sustainable management of natural resources and ecosystems.
- NIF will help in outcome-based monitoring & reporting on progress on SDGs at National level.
- There is no direct financial implication on implementation of the National Indicator Framework. However, the respective Ministries will need to re-align and strengthen their data systems to facilitate monitoring of the SDG indicators.
- SDGs are expected to bring change in the lives of people and the monitoring of progress of implementation of SDGs will benefit the entire nation. (BestCurrentAffairs.com)
- **Background:** At the Millennium Summit held in 2000 at the UN Headquarters in New York, eight development goals known as the 'Millennium Development Goals' (MDGs) were adopted, which formed the blueprint for countries to pursue their national development strategies from 2000 to 2015.

SCHEME FOR PROMOTION OF ACADEMIC AND RESEARCH COLLABORATION

- Union HRD Minister launched the web portal of the Scheme "Scheme for Promotion of Academic and Research Collaboration (SPARC)" in New Delhi.
- SPARC scheme aims at improving the research ecosystem of India's higher educational institutions by facilitating academic and research collaborations between Indian Institutions and the best institutions in the world.
- Government in August 2018 had sanctioned the scheme "Scheme for Promotion of Academic and Research Collaboration (SPARC)" at a total cost of Rs.418 Cr for implementation up to 31.3.2020 and Indian Institute of Technology Kharagpur is the National Coordinating Institute to implement the SPARC programme.
- This scheme will improve research ecosystem of India's higher educational institutions by facilitating academic and research collaborations between Indian Institutions [overall top-100 or category-wise top-100 in NIRF (including such Private Institutions which are recognized under 12(B) of UGC Act)] and the best institutions in the world (top-500 overall and top-200 subject-wise institutions listed in QS World University Ranking) from 28 selected nations [Australia, Austria, Belgium, Brazil, Canada, China, Denmark, Finland, France, Germany, Hong Kong, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Russia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, United Kingdom(UK), United States of America(USA)] to jointly solve problems of national and international relevance. As per the criteria mentioned above, 254 top Indian Institutes and 478 top ranked global Institutes have been already identified.
- A set of 5 Thrust Areas (Fundamental Research, Emergent Areas of Impact, Convergence, Action-Oriented Research and Innovation-Driven) and sub-theme areas in each thrust area has been identified for collaboration under SPARC based on emergent relevance and importance for the nation.
- Each Thrust Area will have a Section Chair. The role of Section Chair of each Thrust Area is to review shortlist and recommend the potential joint-proposals submitted under SPARC scheme.

'STATUE OF UNITY'

- The 182-metre-tall 'Statue of Unity' dedicated to Sardar Vallabhbhai Patel, the tallest statue in the world was unveiled on October 31.
- The Statue of Unity is a statue of Indian statesman and founding father Sardar Vallabhbhai Patel (1875–1950) in the Narmada district of Gujarat, India. It is the world's tallest statue, with a height of 182 metres (597 ft) or about four times as tall as the Statue of Liberty.
- Vallabhbhai Patel was one of the most prominent leaders of the Indian independence movement, and the first Deputy Prime Minister of India.
- The statue is on a river-island facing the Narmada Dam (also called the Sardar Sarovar dam) near Rajpipla, 100 kilometres southeast of the city of Vadodara.
- The monument and its surroundings occupy more than 2 hectares (4.9 acres), and are surrounded by a 12 km² (4.6 sq mi; 3,000 acres) artificial lake.
- It was built by Larsen & Toubro, who received the contract for ₹29.89 billion (US\$420 million) for the design, construction, and maintenance in October 2014.
- The construction was started on 31 October 2014 and completed in mid-October 2018.
- It was designed by Indian sculptor Ram V. Sutar, and was dedicated by Indian Prime Minister Narendra Modi on 31 October 2018, the 143rd anniversary of Patel's birth.
- The statue depicts Vallabhbhai Patel, a leader of the Indian independence movement and the country's first Deputy Prime Minister. It was constructed on an island named Sadhu Bet, 3.2 km (2.0 mi) away from and facing the Narmada Dam.
- The total height of the structure from its base is 240 m (790 ft), with a base of 58 m (190 ft) and statue of 182 m (597 ft). It is constructed with steel framing, reinforced cement concrete, and bronze cladding.
- The statue's construction took 75,000 cubic metres (2,600,000 cu ft) of concrete, 5,700 tonnes (5,600 long tons; 6,300 short tons) of steel structure, 18,500 tonnes (18,200 long tons; 20,400 short tons) of reinforced steel rods, and 22,500 tonnes (22,100 long tons; 24,800 short tons) of bronze sheets.

- The statue was built on a Public Private Partnership model, with most of the money raised by the Government of Gujarat. The Government of India had allotted ₹3 billion (US\$42 million) for the project in the budget from 2012 to 2016. In the 2014–15 Union Budget, ₹2 billion (US\$28 million) were allocated for the construction of the statue.
- Other Monuments of world:
 1. Statue of Unity;India;182 Metre
 2. Spring Temple Buddha;China;153 Metre
 3. Ushiku Daibutsu;Japan;120 Metre
 4. Statue of Liberty;USA;93 Metre
 5. The Motherland Calls;Russia;85 Metre
 6. Christ The Redeemer;Brazil;38 Metre
- The Narmada is the fifth largest river in the Indian subcontinent, traversing 1,312 km through Madhya Pradesh, Maharashtra and Gujarat to drain into the Arabian Sea at the Gulf of Cambay. The river has a basin area of 97,410 square km and flows between the Vindhya and Satpura mountain ranges. The Sardar Sarovar Dam is built on the Narmada near Rajpipla in the state of Gujarat. Here are six astounding facts about this massive multipurpose water resources project.
 - ✓ The Sardar Sarovar Dam is a 1,210 m long concrete gravity dam with a proposed final height of 163 m above the deepest foundation level. At present, it stands at a height of 121.9 m.
 - ✓ It is world's second largest dam in terms of volume of concrete used.
 - ✓ The river catchment area above the dam site is spread across 88,000 square km.
 - ✓ It has a spillway discharging capacity of 87,000 cumecs.
 - ✓ It has the longest canal network in the world and includes the Narmada Main Canal, around 2,500 km of branch canals, 5,500 km of distributaries, and other associated channels.
 - ✓ The 458.3km long, 1,133 cumecs capacity Narmada Main Canal in Gujarat is the largest irrigation lined canal in the world. It further extends by 74 km in Rajasthan, and has 38 off-taking branch canals being built in phases.

REDEVELOPMENT OF RAILWAY STATIONS BY IRSDC

- The Union Cabinet has approved the redevelopment of Railway Stations by Indian Railway Stations Development Corporation Limited (IRSDC) as Nodal Agency and main Project Development Agency, through simplified procedures adapting various business model and for longer lease tenure of upto 99 years. Thus, paving the way for large scale modernisation and ensure world class infrastructure.
- IRSDC being the Nodal agency will prepare the overall strategic plan and business plans for individual or a group of stations ensuring cost neutrality of this program.

NATIONAL INSTITUTE OF MENTAL HEALTH REHABILITATION

- The Union Cabinet approved the establishment of National Institute of Mental Health Rehabilitation (NIMHR) in Sehore District (Bhopal-Sehore highway) instead of Bhopal in Madhya Pradesh.
- NIMHR will be the first of its kind in the country in the area of mental health rehabilitation.

CENTRE DISSOLVES MEDICAL COUNCIL

- In a sudden twist, the government announced the dissolution of the Medical Council of India (MCI), the apex regulator of medical education.
- After the Supreme Court-appointed oversight committee to supervise the functioning of the MCI abruptly resigned in September, the Government had no choice but to dissolve the 100-member Council in its present form.
- The committee headed by NITI Aayog-member VK Paul wrote to the Ministry alleging that the orders of the SC were being misinterpreted by the MCI officials. The Ministry should either take action or apprise the Apex Court.

4G SPECTRUM ALLOCATION

- The Department of Telecom plans to seek the Cabinet approval for the allocation of spectrum to the state-run telecom firms BSNL and MTNL for 4G services.
- BSNL has submitted a detailed project report to the government seeking spectrum for 4G services in lieu of equity.
- BSNL is seeking spectrum in the 2100 MHz band for all circles, except Rajasthan, where the company is looking for spectrum in the 800 MHz band.
- MTNL has requested the government to grant 4G spectrum in lieu of equity worth around Rs 6,500-7,000 crore and extend its mobile licence till 2021. The licence expires in 2019.
- BSNL Chairman and Managing Director: Anupam Shrivastava
- MTNL Chairman and Managing Director: P K Purwar (BestCurrentAffairs.com)

THE INTEROPERABLE CRIMINAL JUSTICE SYSTEM

- The Road Ministry's attempt to record road accident data in a particular format — comprising 55 fields — has been accepted by the Home Ministry's Interoperable Criminal Justice System (ICJS).
- Also, the Home Ministry's software for recording accident data in such a format is available to police stations and public from April, according to the Road Accidents in India Report for 2017.
- The move will help in scientifically analysing the reasons for accidents. The data for the report are submitted by the police departments and State crime research bureaus.
- The year 2017 saw 4.65 lakh road accidents that killed 1.48 lakh and injured 4.71 lakh people.
- ICJS dashboard has been implemented by integrating Crime and Criminals Tracking Network and Systems with e-courts and e-prisons and has been launched on a trial basis with select central investigation agencies. The integration will be achieved by providing access to the Judiciary, the police and prisons departments through a desktop dashboard to facilitate quick, informed decisions.
- The Interoperable Criminal Justice System dashboard integrates the Crime and Criminals Tracking Network and systems with e-courts and e-prisons and has been launched on a trial basis with select central investigation agencies.

THERMAL POWER DEMAND

- The demand for thermal power has outpaced demand projections and coal production. According to the National Power Portal, 121 out of 123 power plants have less than five days of coal stock.
- This is worse than the situation a month ago when 76 out of 121 thermal plants had less than seven days of coal stock. The low coal stock position can be attributed to a higher-than-expected power generation. India's cumulative power generation from April 1 to October 15 stood 4 billion units higher than program (planned) generation at 687 billion units.
- Coal production has not been able to keep pace with the spike in power demand. In the current financial year till October 15, there has been a 7 per cent annual growth in power generation. But the growth in thermal power generation has been just 4.64 per cent due to lower coal availability.

ECONOMY

SMALL FINANCE BANKS IN INDIA

- Small finance banks are a type of niche banks in India. Banks with a small finance bank license can provide basic banking service of acceptance of deposits and lending. (BestCurrentAffairs.com)
- Union Budget 2014-2015 presented on July 10, 2014, the Finance Minister announced that: *"After making suitable changes to current framework, a structure will be put in place for continuous authorization of universal banks in the private sector in the current financial year. RBI will create a framework for licensing small banks and other differentiated banks. Differentiated banks serving niche interests, local area banks, payment banks etc. are contemplated to meet credit and remittance needs of small businesses, unorganized sector, low income households, farmers and migrant work force".*
- Accordingly, the draft guidelines for licensing of Small Banks in the private sector were formulated and released for public comments by RBI on July 17, 2014.
- While preparing these guidelines, the Reserve Bank recognized the need for an explicit policy on banking structure in India keeping in view the recommendations of the Committee on Banking Sector Reforms (Chairman: Shri M. Narasimham) (1998), Committee on Financial Sector Reforms (Chairman: Dr. Raghuram G. Rajan) (2009) and other viewpoints.
- According to RBI, the objectives of setting up of Small Finance Banks will be to further financial inclusion by (a) provision of savings vehicles, and (ii) supply of credit to small business units; small and marginal farmers; micro and small industries; and other unorganised sector entities, through high technology-low cost operations.
- Eligible promoters: Resident individuals/professionals with 10 years of experience in banking and finance; and companies and societies owned and controlled by residents will be eligible to set up small finance banks. Existing Non-Banking Finance Companies (NBFCs), Micro Finance Institutions (MFIs), and Local Area Banks (LABs) that are owned and controlled by residents can also opt for conversion into small finance banks. Promoter/promoter groups should be 'fit and proper' with a sound track record of professional experience or of running their businesses for at least a period of five years in order to be eligible to promote small finance banks.
- Scope of activities:
 - ✓ The small finance bank shall primarily undertake basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganised sector entities.
 - ✓ There will not be any restriction in the area of operations of small finance banks.
- Capital requirement:
 - ✓ The minimum paid-up equity capital for small finance banks shall be Rs. 100 crore.
 - ✓ Promoter's contribution: The promoter's minimum initial contribution to the paid-up equity capital of such small finance bank shall at least be 40 per cent and gradually brought down to 26 per cent within 12 years from the date of commencement of business of the bank.
 - ✓ Foreign shareholding: The foreign shareholding in the small finance bank would be as per the Foreign Direct Investment (FDI) policy for private sector banks as amended from time to time.
- Prudential norms :
 - ✓ The small finance bank will be subject to all prudential norms and regulations of RBI as applicable to existing commercial banks including requirement of maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR). No forbearance would be provided for complying with the statutory provisions.
 - ✓ The small finance banks will be required to extend 75 per cent of its Adjusted Net Bank Credit (ANBC) to the sectors eligible for classification as priority sector lending (PSL) by the Reserve Bank.
 - ✓ At least 50 per cent of its loan portfolio should constitute loans and advances of upto Rs. 25 lakh.
- Transition path: If the small finance bank aspires to transit into a universal bank, such transition will not be automatic, but would be subject to fulfilling minimum paid-up capital / net worth requirement as applicable to universal banks; its satisfactory track record of performance as a small finance bank and the outcome of the Reserve Bank's due diligence exercise.
- Procedure for application: In terms of Rule 11 of the Banking Regulation (Companies) Rules, 1949, applications shall be submitted in the prescribed form (Form III) to the Reserve Bank of India, Mumbai. In addition, the applicants should furnish the business plan and other requisite information as indicated. Applications will be accepted till the close of business as on January 16, 2015. After experience gained in dealing with small finance banks, applications will be received on a continuous basis. However, these guidelines are subject to periodic review and revision.
- On 17 September 2015, The Reserve Bank of India (RBI) given provisional licenses to ten entities who would have to convert into small finance banks within one year. Capital Small Finance Bank was the first small finance bank to begin operations, opening with 47 branches on 24 April 2016. The names of the licensees are as below:

Original Promoter	Commenced	Bank Name	Headquarters
Ujjivan Financial Services Pvt Ltd	1 February 2017	Ujjivan Small Finance Bank	Bangalore
Janalakshmi Financial Services Pvt Ltd	29 March 2018	Jana Small Finance Bank	Bangalore
Equitas Holdings Pvt Ltd	5 September 2016	Equitas Small Finance Bank	Chennai
Au Financiers India Ltd	19 April 2017	AU Small Finance Bank	Jaipur
Capital Local Area Bank Ltd	24 April 2016	Capital Small Finance Bank	Jalandhar
Disha Microfin Pvt Ltd	21 July 2017	Fincare Small Finance Bank	Bangalore
ESAF Microfinance	10 March 2017	ESAF Small Finance Bank	Reg: Chennai, Corp: Thrissur
RGVN North East Microfinance Ltd	17 October 2017	North East Small Finance Bank	Guwahati
Suryoday Microfinance Pvt Ltd	23 January 2017	Suryoday Small Finance Bank	Navi Mumbai
Utkarsh Microfinance Pvt Ltd	23 January 2017	Utkarsh Small Finance Bank	Varanasi

- **Latest in 2018:** Recently, RBI said urban cooperative banks (UCBs) with minimum net worth of Rs. 50 crore and maintaining capital to risk (weighted) assets ratio of 9 per cent and above, are eligible to apply for voluntary transition to Small Finance Bank (SFB).
- Under its on-tap scheme for voluntary transition, the promoters should submit applications along with requisite documents and information relating to the general body resolution by a two-thirds majority and authorising the board of directors to take steps for the transition. The general body resolution also has to identify and approve the promoters.
- The promoter has to submit a no-objection letter from the Central Registrar/Registrar of Co-operative Societies to the transition and transfer of assets and liabilities to the banking company incorporated by the promoters with the approval of the RBI.

GOODS AND SERVICES TAX NETWORK: LATEST

- The Union Cabinet approved increasing of Government ownership in Goods and Services Tax Network (GSTN) and change in the existing structure with transitional plan as per following:
 - ✓ Acquisition of entire 51% equity held by the Non-Government Institutions in GSTN equally by the Centre and the State Governments and allow GSTN Board to initiate the process for acquisition of equity held by the private companies.
 - ✓ The restructure GSTN, with 100% government ownership shall have equity structure between the Centre (50%) and the States (50%).
 - ✓ To allow change in the existing composition of the Board of GSTN inducting three directors from the Centre and the States and three other independent directors to be nominated by the Board of Directors and one Chairman and the CEO. Thus the total number of Directors is 11.

RBI EASES SLR NORMS

- Rates on short-term paper eased after the Reserve Bank of India (RBI) decided to free up funds for the commercial banks to tide over the present liquidity crunch.
- Rates for three-month commercial paper fell to 8.7% after RBI eased liquidity coverage ratio norms for banks. Following the fund crunch triggered by the crisis at infrastructure financier IL&FS at the beginning of the month, rates on short-term papers rose by more than 100 bps (basis points) with mutual funds becoming reluctant to lend to the non-banking finance companies.
- To ease the situation, the central bank had been infusing liquidity through open market operations. As of September 26, banks had availed Rs. 1.88 trillion through term *Repos* from the Reserve Bank.
- Earlier, RBI decided to allow banks to dip into their statutory liquidity ratio (SLR) reserves by another two percentage points to meet liquidity coverage ratio (LCR) norms.
- RBI said that banks could 'carve out' up to 15% of holdings under SLR to meet their LCR requirements compared with 13% earlier.
- SLR is the proportion of funds that banks have to maintain as cash or government securities out of the total deposits that they hold.
- The RBI said it "stands ready to meet the durable liquidity requirements of the system through various available instruments," going forward.
- RBI had hiked interest rates in the last two policy review meetings by 25 bps on each occasion.

DISINVESTMENT OF ITDC HOTELS

- In continuation of the disinvestment policy of the Government of India, the Cabinet Committee on Economic Affairs, chaired by the Prime Minister has approved to further disinvestment of ITDC properties / units / JVs by way of transfers of Incomplete Project of Hotel Gulmarg Ashok, Gulmarg to the State Government of Jammu & Kashmir and Hotel Patliputra Ashok, Patna to the State Government of Bihar respectively.
- To date Govt has transferred the properties of ITDC of Hotel Lake View Ashok, Bhopal; Hotel Brahmaputra Ashok, Guwahati; Hotel Bharatpur Ashok, Bharatpur; Hotel Janpath, New Delhi (to Ministry of Housing and Urban Affairs); Hotel Lalitha Mahal Palace, Mysore; Hotel Donyi Polo Ashok, Itanagar and Hotel Jaipur Ashok, Jaipur to the concerned State Governments.

POLICY FOR SUGAR PRODUCTION IN THE COUNTRY

- Due to excess carryover stocks and indication of similar excess production in the ensuing sugar season 2018-19, the liquidity problem of the sugar mills is likely to persist in the coming sugar season too. As a result, cane price arrears of sugarcane farmers may also peak at unprecedented high level.
- In order to mitigate the situation, the Cabinet Committee on Economic Affairs has approved following measures involving total assistance of over Rs. 5500 crore to support the sugar sector by way of offsetting cost of cane and to facilitate export of sugar from the country thereby improving liquidity of the industry enabling them to clear cane price arrears of farmers:
 - a) To provide assistance to sugar mills by defraying expenditure towards internal transport, freight, handling and other charges to facilitate export during the sugar season 2018-19 @ Rs. 1000/MT for the mills located within 100 kms from the ports, @ Rs. 2500/MT for the mills located beyond 100 kms from the port in the coastal states and @ Rs. 3000/MT for mills located in other than coastal states or actual expenditure, whichever is lower. The total expenditure on this account would be about Rs.1375 crore which will be borne by Government.
 - b) In order to help sugar mills to clear cane dues of farmers, the Government has decided to provide financial assistance @ of Rs. 13.88 per quintal of cane crushed in sugar season 2018-19 to sugar mills to offset the cost of cane.
 - c) To ensure payment of sugarcane dues of farmers, both the assistance would be credited directly into the accounts of farmers on behalf of sugar mills against cane price dues payable to farmers against FRP including arrears relating to previous years and subsequent balance, if any, would be credited to mill's account.
- **Background:** Due to depressed market sentiments and crash in sugar prices, the liquidity position of sugar mills was adversely affected in the sugar season 2017-18 leading to accumulation of cane price dues of sugarcane farmers which reached an alarming level of about Rs. 23,232 crores in the last week of May, 2018.
- In order to stabilize sugar prices at reasonable level and to improve the liquidity position of the mills thereby enabling them to clear the cane price arrears of farmers, for the current sugar season 2017-18, Central Government took the following measures in past six months:

- ✓ Increased custom duty on import of sugar from 50% to 100% to check any import in the country.
- ✓ Withdrew custom duty on export of sugar to encourage sugar industry to start exploring possibility of export of sugar.
- ✓ Allocated mill-wise Minimum Indicative Export Quotas (MIEQ) of 20 LMT of sugar for export during Sugar Season 2017-18.
- ✓ Re-introduced Duty Free Import Authorization (DFIA) Scheme in respect of sugar to facilitate and incentivize export of surplus sugar by sugar mills.
- ✓ Extended financial assistance to sugar mills @ Rs.5.50/qtl of cane crushed during 2017-18 Sugar Season to offset the cost of cane.
- ✓ Notified Sugar Price (Control) Order, 2018 directing that no producer of sugar shall sell white/refined sugar at factory gate at a rate below Rs. 29/kg; along with imposition of stock holding limits on mills.
- ✓ Created buffer stock of 30LMT of sugar w.e.f.01.07.2018, to be maintained by sugar mills for one year for which Government will bear a carrying cost of about Rs. 1175 crore.
- ✓ In order to augment ethanol production capacity and thereby also allow divergence of sugar for production of ethanol, approval has already been granted for extension of soft loan of Rs. 4440 crore through banks to the mills for setting up new distilleries/ expansion of existing distilleries and installation of incineration boilers or installation of any method as approved by Central Pollution Control Board for Zero Liquid Discharge for which Government will bear interest subvention of Rs. 1332 crore.
- As a result of above measures, all India average ex mill prices of sugar increased from the range of Rs. 24-27/kg to Rs. 30-33/kg; and all India cane price arrears of farmers have also come down to Rs. 12988 crore from the peak arrears of about Rs. 23232 crore on State Advised Price (SAP) basis for sugar season 2017-18. On FRP basis, all India cane price arrears of farmers have come down to Rs. 5312 crore from the peak arrears of about Rs. 14538 crore.

TARIFF MEASURES TAKEN TO NARROW CURRENT ACCOUNT DEFICIT

- The Central Government has taken tariff measures, by way of increase in the basic customs duty, to curb import of certain imported items.
- These changes aim at narrowing the current account deficit (CAD). In all the customs duty has been increased on 19 items. These changes in rates of basic customs duty (BCD) will be effective from 27.09.2018.
- The total value of imports of these items in the year 2017-18 was about Rs 86000 Crore.

“JAN DHAN DARSHAK” APP FOR FINANCIAL INCLUSION

- Department of Financial Services (DFS), Ministry of Finance and National Informatics Centre (NIC) has jointly developed a mobile app called *Jan Dhan Darshak* as a part of financial inclusion (FI) initiative. As the name suggests, this app will act as a guide for the common people in locating a financial service touch point at a given location in the country.

ELECTORAL BONDS (PHASE-V)

- The Government of India has notified the Electoral Bond Scheme 2018 in January 2018. As per provisions of the Scheme, Electoral Bonds may be purchased by a person, who is a citizen of India or incorporated or established in India. A person being an individual can buy Electoral Bonds, either singly or jointly with other individuals.
- Only the Political Parties registered under Section 29A of the Representation of the People Act, 1951 (43 of 1951) and which secured not less than one% of the votes polled in the last General Election to the House of the People or the Legislative Assembly of the State, shall be eligible to receive the Electoral Bonds.
- The Electoral Bonds shall be encashed by an eligible Political Party only through a Bank account with the Authorized Bank.
- State Bank of India (SBI), in the 5th phase of sale (October 2018) has been authorised to issue and encash Electoral Bonds through its 29 Authorised Branches.
- Registered political parties that have secured not less than 1% of the votes polled in the last election of the Lok Sabha or legislative assembly will be eligible to receive electoral bonds.
- The sale of first batch of electoral bonds took place from March 1-10, 2018. The second phase was launched from April 2-10. The third phase took place during May 1-10 and the fourth tranche was launched from July 2-11.
- SBI is the only authorised bank to issue such bonds. A person being an individual can buy electoral bonds, either singly or jointly, with other individuals.
- An electoral bond will be valid for 15 days from the date of issue. No payment would be made to any payee political party if the bond is deposited after expiry of the validity period.
- The bond deposited by any eligible political party into its account would be credited on the same day.

CONTRACTS SIGNED UNDER OPEN ACREAGE LICENSING POLICY BID ROUND-I

- Government of India signed the contracts of the blocks awarded under the Open Acreage Licensing Programme (OALP) Bid Round-I with the awardees at New Delhi.
- Initially, 110 e-bids were received for 55 blocks on offer with participation from 9 companies, singly or in consortium. Finally, contracts have been signed for all 55 blocks with 6 companies. This will add a huge accretion of 59,282 sq.km to the exploration area. This is about 65% of the area presently under exploration in the country. This will lead to significant increase in E&P activities in India and in long run discoveries from these field may significantly boost domestic production.
- The bid round-I of OALP was launched in January 2018 under the liberalized Hydrocarbon Exploration and Licensing Policy (HELP). It is for the first time that bidding in the E&P sector in India was for blocks that had been selected by bidders themselves with government playing a facilitator role. The OALP bid round-I has received overwhelming enthusiasm from various stakeholders of E&P industry, with all 55 blocks on offer receiving bids and being awarded.

REVIVAL OF NEPA LIMITED

- The Cabinet Committee on Economic Affairs given its approval for providing a financial package of Rs. 469.41 crore for the Revival and Mill Development Plan (RMDP) of Nepa Limited, a public sector newsprint company located in Nepalagar,

Madhya Pradesh. This package includes the infusion of Rs.277 crore as equity in the company for the completion of RMDP which shall enhance production capacity to 1,00,000 MT per annum from the present capacity of 83,000 MT per annum, diversify production, improve quality of products and also help resume production at Nepa Ltd. The RMDP is expected to be completed within a year.

- Nepa Ltd. is a pioneer newsprint company located in district Burhanpur, in Madhya Pradesh. This company was incorporated in 1947 and was the only newsprint manufacturing unit in India up to 1981. This public sector company is currently undergoing a revival and modernization plan that shall enhance production capacity and diversify its product portfolio.

MSP FOR RABI CROPS OF 2018-19 SEASON

- Cabinet Committee on Economic Affairs approved the increase in the Minimum Support Prices (MSPs) for all Rabi crops for 2018-19 to be marketed in 2019-20 season. The farmer friendly initiative will give additional return to the farmers of Rs 62,635 crore by way of increasing MSP of notified crops to at least 50% return over cost of production and will aid in doubling farmers' income. The increase in the MSPs of wheat has been raised by Rs.105 per quintal, safflower by Rs.845 per quintal, barley by Rs.30 per quintal, masur (lentil) by Rs.225 per quintal, gram by Rs.220 per quintal and rapeseed & mustard by Rs.200 per quintal is another major step in this regard.
- The Minimum Support Prices for all rabi crops of 2018-19 season to be marketed in 2019-20 is as follows:

Crop	MSP 2017-18 (Rs/ quintal)	MSP 2018-19 (Rs/ quintal)	Cost of production 2018-19 (Rs/quintal)	Increase in MSP		Return over cost (in%)
				Absolute	%	
Wheat	1735	1840	866	105	6.1	112.5
Barley	1410	1440	860	30	2.1	67.4
Gram	4400	4620	2637	220	5.0	75.2
Masur (Lentil)	4250	4475	2532	225	5.3	76.7
Rapeseed & Mustard	4000	4200	2212	200	5.0	89.9
Safflower	4100	4945	3294	845	20.6	50.1

- Background:** With the new Umbrella Scheme 'Pradhan Mantri Annadata Aay Sanrakshhan Abhiyan' (PM-AASHA) announced by the government there is a robust mechanism available to enable farmers realize the MSP in fuller measure. The Umbrella Scheme consists of three sub-schemes i.e. Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and Private Procurement & Stockist Scheme (PPSS) on a pilot basis.
- Central and State procurement agencies like Food Corporation of India, National Agricultural Cooperative Marketing Federation of India Limited, Small Farmers Agri –Business Consortium would continue to provide price support to farmers for the Rabi crops.

SECTORAL EXPORT PROMOTION STRATEGY

- Union Minister of Commerce recently reviewed the sectoral export promotion plans prepared by Ministries and Departments of the Government of India. The Commerce Ministry is focusing on nine sectors- gems and jewellery, leather, textile and apparel, engineering, electronics, chemicals and petrochemicals, pharma, agri and allied and marine products - to boost exports.
- This was third inter-ministerial meeting on Sectoral Export Promotion Strategy. DGFT presented status report of exports & informed participants that merchandise exports are up by 16.13% to USD 136.10 billion in April–August 2018-19.

FOURTH BI-MONTHLY MONETARY POLICY STATEMENT

- The Monetary Policy Committee (MPC) in its fourth bi-monthly statement decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 6.5%.
- The GDP growth projection for 2018-19 is retained at 7.4% as in the August resolution. The projections of inflation for 2018-19 and Q1:2019-20 have been revised downwards from the August resolution. The decision of the MPC is in consonance with the Government's assessment of inflation and growth going forward and for achieving the medium-term target for consumer price index (CPI) inflation of 4% within a band of +/- 2%, while supporting growth.

NATIONAL HOUSING BANK INCREASE REFINANCE LIMITS

- National Housing Bank (NHB) has decided to increase the Refinance limit to Rs.30,000 crore. Now, eligible Housing Finance Companies & Other entities will have increased availability of funds.
- National Housing Bank had set an initial limit to sanction Rs. 24,000 crore this year (July 2018-June 2019) towards refinancing eligible institutions. Till date, Rs.8835 crore has been sanctioned. This refinancing is a credit flow to Housing Finance Companies & other Institutions.
- National Housing Bank (NHB) is the Principal Agency to promote Housing Finance Institutions, currently 97 in number, and to provide financial support to eligible institutions. As a regulator, National Housing Bank regularly monitors the liquidity position of Housing Finance Companies.

NATIONAL JUTE MANUFACTURES CORPORATION LTD

- The Union Cabinet approved the closure of National Jute Manufactures Corporation Ltd. (NJMC) and its subsidiary Birds Jute & Exports Ltd. (BJEL).
- In accordance with the DPE guidelines, a Land Management Agency (LMA) will be engaged for disposal of assets.
- NJMC has been incurring losses for several years and was under reference to BIFR since 1993. The company's primary product was hessian jute bags used for packaging of food grain used by the various State Governments. Over the years, the demand for hessian bags has eroded and to that extent, it has been found to be no longer commercially viable to run the company; BJEL, the subsidiary of NJMC, was referred to BIFR, which had considered a Revival Scheme.

CLOSURE OF BIECCO LAWRIE LIMITED

- The Cabinet Committee on Economic Affairs approved the proposal for closure of the Biecco Lawrie Limited (BLL) including giving Voluntary Retirement Scheme (VRS)/ Voluntary Separation Scheme (VSS) to the employees of the Company.
- BLL is a Schedule 'C' Central Public Sector Enterprise (CPSE) with 67.33% and 32.33% equity share held by Oil Industry Development Board (OIDB) and Government of India respectively. The remaining 0.44% shares are held by others.
- The Company, having its registered Office and Headquarters at Kolkata, West Bengal operates in four business segments: Switchgear Manufacturing, Electrical Repair, Projects Division and Lube blending & filling facility.
- The Company has consistently been under financial stress and has had performance-related issues.

CBDT RELEASES DIRECT TAX STATISTICS

Central Board of Direct Taxes (CBDT) has released time-series data as updated up to FY 2017-18 and income-distribution data for AY 2016-17 and AY 2017-18. The key highlights of these statistics are as under:

- There is a constant growth in direct tax-GDP ratio over last three years and the ratio of 5.98% in FY 2017-18 is the best DT-GDP ratio in last 10 years.
- There is a growth of more than 80% in the number of returns filed in the last four financial years from 3.79 crore in FY 2013-14 (base year) to 6.85 crore in FY 2017-18.
- The number of persons filing return of income has also increased by about 65% during this period from 3.31 crore in FY 2013-14 to 5.44 crore in FY 2017-18.
- There has been continuous increase in the amount of income declared in the returns filed by all categories of taxpayers over the last three Assessment Years (AYs). For AY 2014-15, corresponding to FY 2013-14 (base year), the return filers had declared gross total income of Rs.26.92 lakh crore, which has increased by 67% to Rs.44.88 lakh crore for AY 2017-18, showing higher level of compliance resulting from various legislative and administrative measures taken by the Government, including effective enforcement measures against tax evasion.
- The average tax paid by corporate taxpayers has increased from Rs.32.28 lakh in AY 2014-15 to Rs.49.95 lakh in AY 2017-18 (growth of 55%). There is also an increase of 26% in the average tax paid by individual taxpayers from Rs.46,377/- in AY 2014-15 to Rs.58,576/- in AY 2017-18.
- During the same period, there has also been a growth of 19% in the number of non-salaried individual taxpayers from 1.95 crore to 2.33 crore and the average non-salary income declared has increased by 27% from Rs. 4.11 lakh in AY 2014-15 to Rs. 5.23 lakh in AY 2017-18.

FISHERIES AND AQUACULTURE INFRASTRUCTURE DEVELOPMENT FUND

- The Cabinet Committee on Economic Affairs given its approval for creation of special Fisheries and Aquaculture Infrastructure Development Fund (FIDF).
- The approval entails an estimated fund size of Rs.7,522 crore, comprising Rs.5,266.40 crore to be raised by the Nodal Loaning Entities (NLEs), Rs. 1,316.6 crore beneficiaries contribution and Rs.939.48 crore budgetary support from the Government of India.
- National Bank for Agriculture and Rural Development (NABARD), National Cooperatives Development Corporation (NCDC) and all scheduled Banks (hereinafter referred as Banks) shall be the nodal Loaning Entities.
- FIDF would provide concessional finance to State Governments / UTs and State entities, cooperatives, individuals and entrepreneurs etc., for taking up of the identified investment activities of fisheries development.
- Under FIDF, loan lending will be over a period of five years from 2018-19 to 2022-23 and maximum repayment will be over a period of 12 years inclusive of moratorium of two years on repayment of principal.

INCREASE IN VISIT CHARGES FOR ASHA FACILITATORS

- The Cabinet Committee on Economic Affairs has approved the increase in supervisory visit charges for ASHA Facilitators from Rs. 250/-per visit to Rs. 300/- per visit for 2018-2019 to 2019- 2020 w.e.f from October 2018 (to be paid in November, 2018). ASHA Facilitator will undertake about 20 supervisory visits per month. With the proposed increase, ASHA Facilitators would receive about Rs 6000 per month against Rs 5000 per month that is an increase of Rs 1000/- per month.
- As part of support mechanism, an ASHA facilitator is in place for between 10 to 25 ASHAs, to provide handholding and mentoring support, and monitor performance. She is a critical link of the support structure network.
- All states except Andhra Pradesh, Himachal Pradesh, Jammu and Kashmir, Kerala, Nagaland, Tamil Nadu, Telangana, West Bengal, Rajasthan and UTs have selected ASHA Facilitators.
- ASHA Facilitator undertakes about 20 supervisory visits per month. The role of ASHA Facilitators is broadly summarized as under:
 - ✓ Conduct village visits (comprising of accompanying ASHA on household visits, conducting community/VHSNC meetings, attending Village Health and Nutrition Days).
 - ✓ Conduct cluster meetings of all ASHAs in the area once a month.
 - ✓ Enable ASHAs in reaching the most marginalized households.
 - ✓ Support ASHA training at the block level.
 - ✓ Facilitate selection of new ASHAs.
 - ✓ Facilitate grievance redressal.

'SHELL COMPANY' IN NEWS

- The multi-agency committee in India set to finalise the definition of a "shell company" for the purposes of enforcing penal laws for various violations is yet to arrive at a consensus to diverse opinions on yardsticks for identification of such entities.
- The OECD defines a shell firm as "a company that is formally registered, incorporated, or otherwise legally organised in an economy but which does not conduct any operations in that economy other than in a pass-through capacity. Shells tend to be conduits or holding companies and are generally included in the description of Special Purpose Entities".

ECB NORMS FOR OIL FIRMS EASED

- With the rupee under pressure following rise in global crude oil prices, the Reserve Bank of India liberalised the norms for oil marketing companies (OMCs) to raise funds through external commercial borrowings (ECB).
- RBI has said that oil companies can raise ECBs for working capital with a minimum average maturity of three to five years.
- The individual limit of \$750 million or equivalent and mandatory hedging requirements as per the ECB framework have also been waived for borrowings. However, the overall ceiling for such ECBs is capped at \$10 billion.

GOVT HIKES INTEREST FOR GRATUITY FUNDS TO 8%

- The Centre has notified a higher interest rate of 8% for the non-government provident, superannuation, and gratuity funds, effective from October 1.
- The interest rate on these funds has been raised from 7.6%. The move comes on the back of a hike in small savings rates — by up to 40 basis points for some schemes — that was also made effective from October 1.

INFLATION UP, INDUSTRIAL OUTPUT SLOWS

- Consumer price inflation accelerated marginally in September to 3.77%, from 3.69% in August. Inflation in the food and beverages segment quickened to 1.08% from 0.78% over the same period, according to official data.
- Industrial production slowed to a 10-month low of 4.3% in August, due in large part to a drastic deceleration in the manufacturing, mining, and consumer durables sectors.

TRADE DEFICIT SHRINKS TO 5-MONTH LOW

- India's trade deficit shrank to its lowest in five months in September, at \$13.98 billion, even as exports contracted for the first time in as many months, according to official data.
- The data from the government's mid-year assessment of India's trade shows that merchandise exports registered a growth of 19.93% in rupee terms and 12.54% in U.S. dollar terms.

CENTRE TO BAN PLASTIC ACROSS COUNTRY BY 2022

- The Central government might introduce a pan-India ban on plastic by 2022.
- States such as Maharashtra, Punjab, Rajasthan, Gujarat, Kerala, Madhya Pradesh have banned plastic items. However, the absence of a uniform policy has put in doubt the implementation of the ban in other States.
- The Centre has appreciated the State's introduction of the principle of Extended Producer's Responsibility (EPR) to provide required finances to establish plastic collection centres.

GOVT RAISES LOAN LIMIT FOR MSMES TO OVER RS. 1 CRORE

- The government has enhanced the loan limit for micro, small and medium entrepreneurs to over Rs. 1 crore under the Prime Minister Employment Generation programme.
- Government was lending between Rs. 25 lakh and Rs. 1 crore to successful entrepreneurs at 15 per cent interest subsidy but such entrepreneurs can now apply for loan over and above the limit.
- Inaugurating the Khadi Fest 2018 in Mumbai, he dedicated an online portal for entrepreneurs to seek financial assistance and emphasised on the government's aim to generate employment in rural India.
- Vinai Kumar Saxena: Chairman, KVIC.

GOVT NOTIFIES 10% LTCG TAX ON IPO/FPO GAINS

- The Income Tax Department has notified norms for applicability of concessional long-term capital gain tax. This will benefit investments made in initial public offerings (IPOs) and follow-on public offerings (FPOs).
- The new norms will come into effect from April 1, 2019, and will apply in relation to assessment year 2019-20 and subsequent assessment years.
- The notification talks about two types of transactions: First, those entered into before October 1, 2004, and second, those entered into on or after October 1, 2004, and not chargeable to securities transaction tax (STT).
- Long-term capital gain means gain made after one year from the date of purchase. Finance Act 2018 made long-term capital gain (LTCG) arising on the sale of equity shares, unit of equity-oriented fund or a unit of business trusts chargeable at a concessional rate of 10 per cent subject to the conditional payment of STT.

NCDEX LAUNCHES FOUR NEW OPTIONS CONTRACTS

- The National Commodity and Derivatives Exchange has received SEBI's approval to launch options trading in guar gum, soyabean, refined soya oil and chana.
- The options contract on guar gum expiring in November, December, January and February will be available for trading, while the chana options contracts will expire in November, December, January and March.
- Similarly, five soyabean options contracts expiring from November to March and five contracts of refined soya oil expiring between December and April will be open for trading.
- The first agriculture options contract in guarseed was launched by Finance Minister Arun Jaitley earlier this year.
- The National Stock Exchange will also enter commodity futures market with the launch of three new contracts in gold (1 kg), gold mini (100 grams) and silver (30 kg) on October 12.

E-WAY BILL PORTAL REVAMPED

- The e-way bill portal has undergone certain validation changes with effect from October 1. The changes are aimed at enhancing the user experience in the online generation of e-way bill (EWB-01). Henceforth, users are not required to enter the State of 'Bill to' and 'Bill from' manually. It will be auto-populated based on the PIN code.
- In addition to this, users can now select the tax rates based on the HSN (Harmonised System Nomenclature) code entered, which will populate values for CGST and SGST, or IGST and cess, automatically.
- Where an e-way bill is compulsorily required and the supplier tries to generate 'Part-A Slip', they must now compulsorily enter the transporter ID to assign a transporter, where the vehicle details are unavailable. As per the new rule, an e-way bill can be generated by the taxpayer only after entering Part-B.
- The user generating the e-way bill will receive an SMS alert if the total invoice value of EWB exceeds ₹10 crore.

UDIN TO BECOME MANDATORY FOR CAS FROM JAN 1

- Come January 1, all practising chartered accountants will have to register all certificates issued by them with the recently launched UDIN portal.
- It may be recalled that the CA Institute had, in an effort to tackle the menace of forged certifications of financial statements and documents, come up with the concept of Unique Document Identification Number (UDIN). The new system had gone live from July 1, but was only recommendatory to start with. Now, this has become mandatory from January 1.
- Under UDIN, the unique number will be generated for every document certified by a practising CA and registered with the UDIN portal. Regulators and banks can use the portal to check the authenticity of the documents.
- It had come to the notice of the CA Institute that financial statements and documents are getting certified by "third persons" who are not actually CAs. This could mislead authorities/other stakeholders who rely upon them, it was felt.

STEPS TO INCREASE CREDIT FLOW TO NBFCs

- The Reserve Bank of India announced more measures to increase liquidity flows to the non-banking financial companies.
- The RBI permitted banks to use government securities equal to their incremental outstanding credit to NBFCs, over and above their outstanding credit to them, to be used to meet liquidity coverage ratio requirements.
- The move will help provide liquidity to housing finance companies (HFCs) and non-banking finance companies (NBFCs) which have come under pressure following series of default by IL&FS group companies.

INTERNATIONAL

ISRAEL REOPENS GOLAN CROSSING WITH SYRIA

- Syria's main crossing points with Jordan and the Israeli-occupied Golan Heights have both been reopened for the first time in several years.
- A Syrian businessman living in Jordan was the first person to pass through the Nassib border post between Jordan and Syria when traffic resumed.
- Syrian government forces recaptured the crossing from rebel fighters in July.
- UN vehicles were also seen crossing into the Israel-occupied Golan near the Syrian town of Quneitra. Syrians and Jordanians expressed hope that cross-border trade would be revived.
- The closure of Nassib in 2015, when it was overrun by Syrian rebel factions, cut a crucial transit route for billions of dollars of goods and had serious economic repercussions across the region.
- Jordan supported the rebellion against Syrian President Bashar al-Assad. But he now appears close to victory, months after the Syrian army defeated opposition fighters in the southern provinces of Deraa and Quneitra with the help of Russian air strikes and Iranian-backed militias.



- The UN, Israel and Syria agreed to re-open the crossing as part of an effort to allow UN Disengagement Observer Force (UNDOF) peacekeepers to carry out their mandate to maintain a decades-old ceasefire between Israel and Syria.
- Israel seized most of the Golan Heights in the closing stages of the 1967 Middle East War, and thwarted a Syrian attempt to retake it in 1973. Both countries signed a disengagement agreement in 1974, which led to the establishment of UNDOF.
- After Syria's civil war started, however, there were violations of the ceasefire with the escalation of military activity in the area of separation patrolled by UNDOF.

S. KOREA URGES JAPAN TO REMOVE 'RISING SUN' FLAG

- South Korea reiterated a demand that Japan remove its "rising sun" naval flag from a warship participating in an international fleet review at Jeju island.
- Many South Koreans associate the symbol with Japanese military aggression during the Second World War and have expressed anger over its potential display during the October event.
- South Korea's Navy has asked all 14 countries participating in the fleet review to display only their national flags and the South Korean flag on their vessels, a request apparently aimed at preventing the invited Japanese destroyer from flying the "kyokujitsuki."
- But Japan has balked at the demand, saying that the ship's display of the flag would be mandatory under Japan's laws. The flag also serves to identify the nationality of Japanese naval vessels.
- Japan has withdrawn from an international fleet review after rejecting demands that its warship take part without its "rising sun" flag ensign.

IRAN PARLIAMENT PASSES COUNTER-TERROR FINANCE BILL

- Iran's Parliament approved a Bill to counter terrorist financing, that was seen as vital to salvaging the nuclear deal with European and Asian partners.
- The Bill aims to bring Iran's laws in line with international standards and allow it to join the UN Terrorism Financing Convention.
- It is one of the four Bills put forward by the government in recent months in a bid to meet demands by the international Financial Action Task Force (FATF), which has given Iran to tighten its laws against money laundering and terror financing.
- The issue has become particularly pressing since the United States walked out of the 2015 nuclear deal with Iran earlier this year and began reimposing sanctions.
- The other parties to the deal — Britain, France, Germany, China and Russia — have sought to salvage the agreement and maintain trade with Iran, but have demanded that it accede to the FATF.
- Joining the UN convention has been controversial because hardliners say it will limit Iran's ability to support armed groups in the region, such as its Lebanese ally, Hezbollah.

BRAZIL GETS NEW PRESIDENT

- Michel Miguel Elias Temer Lulia is a Brazilian lawyer and politician serving as the 37th and elected as the new President of Brazil since 2016.
- He took office after the impeachment and removal from office of his predecessor Dilma Rousseff.

CHINA REVISES ANTI-TERROR REGULATIONS

- Anti-terror efforts in the controversial “reeducation centres” in China’s Xinjiang region will be governed by new standardised rules.
- The revised rules, call on local governments to tackle terrorism by establishing “vocational education centres” that will carry out the “educational transformation of people who have been influenced by extremism.”
- The centres should teach Mandarin Chinese, legal concepts and vocational training, and carry out “thought education,” according to a copy of the rules posted on the regional government’s website.
- As many as a million people are believed to have been detained in extra-judicial detention centres in Xinjiang as authorities there seek to battle what they describe as religious extremism, separatism and terrorism.

XI OPENS WORLD’S LONGEST SEA BRIDGE

- Chinese President Xi Jinping inaugurated a 55-km bridge that will deepen the integration of Hong Kong and Macao with the rest of China.
- The world’s longest sea-crossing bridge will be at the heart of an integrated Greater Bay Area (GBA) covering 11 major neighbouring cities, which include Hong Kong, Macao, Guangzhou and Shenzhen.
- The giant GBA comprising 68 million people is expected to rival the San Francisco Bay Area of the U.S., as well as the Tokyo Bay Area of Japan.
- From a passenger clearance building of the Zhuhai Port in mainland China, President Xi announced the opening of the Hong Kong-Macau-Zhuhai Bridge (HMZB).

SWEDISH PARLIAMENT OUSTS PRIME MINISTER

- Sweden’s parliament ousted Prime Minister Stefan Löfven in a vote of no-confidence.
- A total of 204 of 349 members of Parliament voted against Mr. Löfven, while 142 voted in favour.

EU ANNOUNCES LEGAL ENTITY TO MAINTAIN BUSINESS WITH IRAN

- The European Union (EU) said its members would set up a payment system to allow oil companies and businesses to continue trading with Iran in a bid to evade U.S. sanctions.
- Iran and the European Union (EU) announced their defiance towards U.S. President Donald Trump’s administration after high-level talks at the United Nations among the remaining members of the accord. They said in a statement that they were determined “to protect the freedom of their economic operators to pursue legitimate business with Iran.”

AFGHAN RAIL PROJECT

- India was invited to help with a key rail link in Afghanistan, during the visit of Uzbekistan’s President Shavkat Mirziyoyev to India recently.
- The rail link of approximately 650 km, connecting the Afghan cities of Mazaar-e-Sharif and Herat, which may later be extended to Kabul, is a major project agreed to by President Ashraf Ghani and President Mirziyoyev last year, and many of the preliminary surveys for the project have already been completed.
- The project, for which Uzbekistan has already committed \$500 million, could become another major regional connectivity project for India, after its construction of the Zaranj-Delaram Highway in Afghanistan and the Shahid Beheshti port in Chabahar, Iran.
- India is also committed to building another rail route, from Chabahar to Zahedan on the Iran-Afghan border, and President Mirziyoyev is keen to join the transit trade agreement signed by India, Afghanistan and Iran.
- The rail route to Herat, if extended to Kabul, would also link to India’s “air corridor”, allowing trade, especially dry fruits and agricultural produce to travel along the routes from India to Central Asia and back in much shorter time.
- Uzbekistan has held talks with Iran, the Asian Infrastructure Investment Bank (AIIB) and China, which is already running a rail route into Uzbekistan under the Belt and Road Initiative, for the same project in the past few months.

CHINA’S COMBAT AIRCRAFT MAKES DEBUT FLIGHT

- China’s indigenously-built new multi-role combat aircraft for exports has made its debut flight. The FTC-2000G, a new multi-role combat aircraft developed for export by the State-owned Aviation Industry Corp of China (AVIC) flew for about 16 minutes.

RWANDA NAMES 50 PERCENT FEMALE CABINET, FOLLOWING ETHIOPIA

- Two days after Ethiopia announced one of the world’s few “gender-balanced” Cabinets with 50 % women, Rwanda has done the same.
- The East African nation announced that women now make up half of the slimmed-down, 26-seat Cabinet.

CHINA’S FIRST PRIVATE UNIVERSITY INAUGURATED

- China’s first private research university has been officially inaugurated in Zhejiang Province’s Hangzhou city. Five Nobel laureates attended the founding ceremony of Westlake University in Hangzhou.

SAUDI ARABIA TO OFFER VISITOR VISA

- Saudi Arabia will offer an electronic visa for foreign visitors to attend sporting events and concerts from December 2018.
- At present, foreigners travelling to the conservative Muslim country are largely restricted to resident workers and their dependents, business travellers, and Muslim pilgrims who are given special visas to travel to holy sites.
- The "sharek" visa process will be introduced in time for a motor race on Dec 15.
- Applicants will be able to obtain 14-day visas online for 640 riyals (\$170.65) and enter from any port of entry. (\$1 = 3.7503 riyals)

VATICAN - CHINA SIGN ACCORD

- The Vatican signed a landmark agreement giving it a long-desired say in the appointment of bishops in China. The provisional agreement was signed in Beijing.
- It gives the Holy See a decisive role in the appointment of all bishops in a country whose around 12 million Catholics have been split between an underground Church swearing loyalty to the Vatican and the state-supervised Catholic Patriotic Association.

COLOMBIA PEACE TALKS WITH ELN REBELS

- Colombia will not accept Venezuela as a guarantor of peace talks if it decides to continue negotiations with Marxist ELN guerrillas, President Ivan Duque warned, citing the neighbouring country's alleged support for rebel activities.
- He has urged the 2,000-strong National Liberation Army (ELN) to free all hostages as a condition for resuming dialogue. The group has so far released nine, all members of the security forces or military contractors. A remaining 10 hostages are civilians.
- Venezuela, Cuba, Chile, Brazil and Norway have served as so-called guarantors at negotiations with the ELN, which were being held in Cuba until just before Duque took office.
- Guarantors are meant to be neutral facilitators of the talks, providing negotiating facilities and other help.
- But Colombia's government and armed forces have long accused Venezuela of allowing rebel groups to cross into its territory freely and hide out there.
- Venezuela, which is reeling from a crushing economic and social crisis as thousands flee in search of scarce food and medicine, previously served as a guarantor in talks between the government and the Revolutionary Armed Forces of Colombia (FARC).
- Those talks ended in a 2016 peace deal under which the FARC, once much larger than the ELN, demobilized and formed a political party.

UNO SETS UP BODY ON MYANMAR

- The U.N. Human Rights Council decided to set up a body to prepare evidence of human rights abuses in Myanmar, including possible genocide, for any future prosecution.
- The 47-member Council voted by 35 votes to three, with seven abstentions, in favour of a resolution. China, the Philippines and Burundi voted against the move.
- The resolution was based on the report of a U.N. fact-finding mission (FFM).
- A year ago, government troops led a brutal crackdown in Myanmar's Rakhine state in response to attacks by the Arakan Rohingya Salvation Army (ARSA) on 30 Myanmar police posts and a military base. More than 700,000 Rohingya fled the crackdown and most are now living in refugee camps in neighbouring Bangladesh.

IRAQI KURDISTAN PARLIAMENTARY ELECTION 2018

- Parliamentary elections took place in semi-autonomous Kurdistan Region of Iraq on 20 October 2018 to elect Parliament. The ruling Kurdistan Democratic Party (KDP) came first in a parliamentary election in the Kurdistan Region of Iraq, winning 45 seats, that positioning it to lead the next regional government.
- A year after a failed bid for independence, Iraq's Kurds voted in a parliamentary election. The KDP's historic rival and junior coalition partner in government, the Patriotic Union of Kurdistan (PUK), was in second place with 21 seats.
- The results suggest that Masoud Barzani's KDP will take a dominant position in Kurdish politics.
- The Iraqi Kurdistan Parliament is responsible for passing laws in the Iraqi provinces governed by the Kurdistan Regional Government (KRG). Of its 111 seats, 11 are reserved for minorities: five for Turkmen, five for Assyrians and one for Armenians. The majority bloc forms the government.
- Since the region established its autonomy in 1991, this has usually taken the form of a coalition between the two parties that have traditionally controlled the region's biggest cities: the Kurdistan Democratic Party (KDP), based in the capital Erbil, and the Patriotic Union of Kurdistan (PUK), based in Sulaimaniya. This arrangement was interrupted by a civil war between the two parties in the 1990s.

SOUTH AFRICA-UAE SIGN EXTRADITION TREATY

- South Africa has signed an extradition treaty with the United Arab Emirates, raising the prospect of the Gupta brothers, friends of former president Jacob Zuma, returning to face corruption charges.
- The Indian-born brothers - Ajay, Atul and Rajesh - have been accused of using their ties with Zuma to siphon off billions of rand in state funds and of inappropriately influencing cabinet appointments.

LATAM NATIONS WRITES TO ICJ

- The presidents of Peru, Argentina, Chile, Colombia and Paraguay and Canadian Prime Minister Justin Trudeau signed a letter and sent it to the International Criminal Court based in The Hague to investigate Venezuela's government over allegations of crimes against humanity in using force to repress political opponents.

- LATAM may refer to following Latin American countries:
 1. Belize
 2. Costa Rica
 3. El Salvador
 4. Guatemala
 5. Honduras
 6. Mexico
 7. Nicaragua
 8. Panama
- What countries are Latino? Latino refers to geography. Specifically, to Latin America, to people from the Caribbean (Puerto Rico, Cuba, Dominican Republic), South America (Ecuador, Bolivia, Colombia, Peru, etc.) and Central America (Honduras, Costa Rica, etc.)
- Which countries are Hispanic? Hispanic if you and/or your ancestry come from a country where they speak Spanish. Hispanic countries: Argentina, Bolivia, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Spain, Uruguay, and Venezuela.

EGYPT GETS \$500 MILLION FROM ADB

- Egypt has received the third and last \$500 million tranche of a \$1.5 billion African Development Bank loan which will support the government's development programmes.
- The loan was agreed in 2015 amid an acute foreign currency shortage that crippled import activity and had the country scrambling to find new sources of dollars as shipments piled up at ports and manufacturing slowed.
- Egypt has since implemented tough reforms under a \$12 billion IMF loan programme agreed in late 2016 that involved deep cuts to energy subsidies, new taxes and a floated currency in a bid to draw back investors who fled after its 2011 uprising.

YEMEN CHOLERA OUTBREAK ACCELERATES

- Yemen's cholera outbreak - the worst in the world - is accelerating again, with roughly 10,000 suspected cases now reported per week.
- Since Yemen's cholera epidemic erupted in April 2017, a total of 1.2 million suspected cases have been reported with 2,515 deaths.

GREENLAND PM FORMS MINORITY GOVERNMENT

- Greenland Prime Minister Kim Kielsen presented a new minority government, ending a political crisis that started when he lost his majority last month with the withdrawal of a pro-independence party.
- Kielsen's Siumut party is the largest party in Greenland. The second biggest party Inuit Ataqatigiit (IA) was left out of the coalition.
- Greenland relies on fishing and annual grants from Denmark.

CHAMORRO, NICARAGUA'S FIRST FEMALE PRESIDENT

- Violeta Chamorro, Nicaragua's first female president, was hospitalised and placed in intensive care.
- Chamorro was the first woman elected as a head of state in the Americas after she unseated Sandinista leader Daniel Ortega as Nicaraguan president in 1990. She ruled until early 1997.

USA WITHDRAWS FROM INTERNATIONAL ACCORDS

- The United States withdrew from two international accords after the International Court of Justice (ICJ) ordered the country's government to ease sanctions against Iran.
- Donald Trump-led administration made a decision to withdraw from the 1955 United States-Iran Friendship Treaty. The treaty, often ignored by the U.S. completely, served as the foundation of the latest ruling by the ICJ.
- USA also drop out of an optional part of 1961 Vienna Convention on Diplomatic Relations, which allows countries to settle disputes with each other in the ICJ.
- Last month, Palestinians used the the ICJ to sue the U.S. over Trump's decision to move the U.S. embassy from Tel Aviv to Jerusalem. This move came in accordance with the Trump administration's recognition of Jerusalem as the capital of Israel, which Palestinians consider their holy city and a part of their future state.
- Palestine was recognised by the U.N. General Assembly in 2012 as a non-member observer state, though its statehood is not recognised by either Israel or the United States.

IRAQ NAMES NEW PRESIDENT AND PREMIER

- Iraq's parliament elected as president Kurdish politician Barham Salih, who immediately named Shi'ite Adel Abdul Mahdi prime minister-designate, ending months of deadlock after an inconclusive national election in May.
- The presidency, traditionally occupied by a Kurd, is a largely ceremonial position, but the vote for Salih was a key step towards forming a new government, which politicians have failed to do since the election.

SOUTH SUDAN REBELS IN CONGO EXILE LEAVE FOR HOME

- The last remaining group of South Sudanese rebels who had been in exile in Democratic Republic of Congo have left to return home or third country destinations.
- A relapse into war in July 2016 between forces of South Sudanese President Salva Kiir and his former deputy Riek Machar led to a flight of rebels from the capital Juba. Hundreds fled to the jungles of neighbouring Congo where they sought out the protection of United Nations peacekeepers.

- Last month, however, the warring sides signed another peace deal that is expected to end the fighting and return a measure of order and security to Africa's youngest nation according to U.N. mission in Congo (MONUSCO).

ZIMBABWE CHOLERA OUTBREAK

- Zimbabwe has started vaccinating people living in urban areas to contain the worst cholera outbreak to hit the country in a decade which has left 49 people dead and infected thousands more.
- Zimbabwe's worst cholera outbreak occurred in 2008 during the height of the economic crisis, leaving more than 4,000 dead and infecting another 40,000.

FORMER FIRST LADY OF MALAYSIA

- Rosmah Mansor, the wife of former Malaysian prime minister Najib Razak has been charged with money laundering, abuse of power and criminal breach of trust over millions of dollars were misappropriated from state fund 1MDB.
- Rosmah Mansor has drawn questions over her spending habits and luxurious lifestyle from citizens grappling with a rising cost of living.
- Najib, who lost an election in May, has pleaded not guilty to the charges and consistently denied wrongdoing.

VENEZUELA CREATES MIGRATION POLICE, NEW PASSPORT PAYMENT SYSTEM

- Venezuela created a migration police and announced that passport issuance fees would be paid in the government-created petro cryptocurrency.
- Some 2.6 million Venezuelans have fled the OPEC nation of 30 million, mostly to other parts of South America, according to the United Nations.
- Shortages of food, running water, power, and medicine are common in the country.

SPAIN SCRAPS 'SUN TAX'

- Spain took measures aimed at reducing electricity bills which are among the highest in Europe.
- The government scrapped a controversial levy on solar power 'sun tax' affecting households and small businesses.

GERMANY-BRITAIN SIGN DEFENCE AGREEMENT

- Britain signed a military cooperation agreement with Germany, emphasising London's commitment to helping shield Europe from future security threats at a time when negotiations over its exit from the EU are reaching a crunch.

DENMARK BUILDING NEW ISLAND

- Denmark plans to build a new island near Copenhagen's harbour to create more space for the city's growing population.
- The island proposal could be fully established by 2070, host housing for 35,000 people and also protect the city from rising sea levels.
- The project, tentatively called Lynetteholm, would demand investment of around 20 billion Danish crowns (\$3.1 billion) including in a harbour tunnel and a metro line, but will be self-financing over time.

ROMANIAN REFERENDUM TO BAN SAME-SEX MARRIAGE FAILS

- A referendum to change Romania's constitution to prevent same sex couples from securing the right to marry failed to draw enough voters to validate the result.
- Religiously conservative Romania, which decriminalized homosexuality in 2001 decades after neighboring countries, bars marriage and civil partnerships for same sex couples.

PRISONERS RIOTS IN SOUTH SUDAN

- Prisoners rioted and seized weapons at a detention centre in South Sudan's capital Juba. The prisoners were caught in a stand off with guards and the centre, called Blue House, had been sealed off.
- South Sudan has been gripped by conflict since late 2013 when rivalry between President Salva Kiir and his former deputy Riek Machar deteriorated into clashes between their supporters, then civil war.

AUSTRIA HAS CONCERNS ABOUT U.N. MIGRATION PACT, MIGHT BACK OUT

- Austria may follow the United States and Hungary in backing out of a United Nations agreement on migration. (*Discussed in detail in previous Booklets*).
- *The Global Compact for Safe, Orderly and Regular Migration* was approved in July by all 193 U.N. member nations except the United States, which backed out last year.

CHINA LAUNCHES ANTI-HALAL CRACKDOWN

- Chinese authorities have launched a campaign against halal products in the name of fighting extremism in the capital of Xinjiang, the fractious northwest region where Muslims are facing a raft of religious restrictions.
- Beijing has in recent years launched a security crackdown in Xinjiang against what it calls separatist elements, and a UN report has cited estimates that up to one million ethnic Uighurs and other Muslim minorities are held in extra-judicial, political re-education camps.
- Halal — Arabic for "permissible" — refers to a set of rules guiding Muslims on what is allowed according to the religion. It is frequently applied to food and drinks but also includes other personal hygiene products like toothpaste and cosmetics.

MALAYSIA TO ABOLISH SEDITION ACT

- Malaysia's cabinet has ordered the suspension of the colonial-era Sedition Act, widely used to rein in dissent, and is working on doing the same for the death penalty as it prepares to repeal both laws possibly by the end of the year.

HONG KONG'S ARTIFICIAL ISLAND PROJECT

- Cost of proposed artificial island in Hong Kong will more than double if extreme weather and rising sea levels are designed for. Proposed East Lantau Metropolis will have to be built higher to guard against rising sea levels and storm surges brought by super typhoons.
- The East Lantau Metropolis plan, backed by powerhouse property developers including New World Development (0017.HK) and Henderson Land (0012.HK), is the government's favoured option to address a chronic housing shortage in one of the world's most expensive property markets.
- The project envisions housing more than 1 million people across 1,700 hectares of reclaimed land.

WORLD BANK AID FOR INDONESIA DISASTER RELIEF

- The World Bank said it would provide a standby loan of up to \$1 billion (£760 million) for the Indonesian government for relief and reconstruction efforts in the country's two islands that were hit by earthquakes and a tsunami.
- The World Bank's chief executive officer: Kristalina Georgieva
- The Indonesian government plans to launch a new strategy to fund disaster recovery, which could include insuring state assets and selling "catastrophe bonds".

ETHIOPIA CREATES 'PEACE MINISTRY'

- Ethiopia's prime minister created a new Ministry of Peace and handed half the posts in his cabinet to women in a sweeping cabinet reshuffle as he sought to tackle a wave of ethnic violence.
- About 2.2 million people out of a population of 100 million have been displaced by violence since last year, much of it between rival ethnic groups.

CROATIA ON COURSE FOR SCHENGEN ZONE ENTRY IN 2020

- Croatia expects to meet the technical criteria for the border-free European Union's Schengen Zone by year-end and hopes to join it by 2020.
- Croatia is one of six European Union members not to be part of the passport-free Schengen zone, which area comprises 22 EU member states as well as four non-members — Norway, Iceland, Switzerland and Liechtenstein.
- Croatia's conservative-led government also hopes that in 2020 it will also achieve entry to the European Exchange Rate Mechanism (ERM-2), a waiting room for adopting the euro.
- The Schengen Area is an area comprising 26 European states that have officially abolished passport and all other types of border control at their mutual borders. The area mostly functions as a single jurisdiction for international travel purposes, with a common visa policy
- The 26 Schengen Area countries are: Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, and Switzerland.

NATO CYBER COMMAND TO BE FULLY OPERATIONAL IN 2023

- A new NATO military command centre to deter computer hackers will be fully staffed in 2023 and able to mount its own cyber attacks.
- While NATO does not have its own cyber weapons, the U.S.-led alliance established an operations centre on Aug. 31 at its military hub in Belgium. The United States, Britain, Estonia and other allies have since offered their cyber capabilities.
- NATO communication and computer networks face hundreds of significant hacking attempts every month.
- NATO has formally recognised cyberspace as a new frontier in defence, along with land, air and sea, meaning battles could henceforth be waged on computer networks.
- That is now the subject of intense debate at NATO, with alliance commanders saying publicly that cyber will be an integral part of future warfare but allies unclear what would trigger NATO's Article 5 (collective defence) clause.
- If NATO can agree cyber warfare principles, the alliance hopes to integrate individual nations' cyber capabilities into alliance operations, coordinated through the Mons cyber operations centre and under the command of NATO's top general, the Supreme Allied Commander Europe, or SACEUR.
- NATO CCD COE, officially the NATO Cooperative Cyber Defence Centre of Excellence is one of NATO Centres of Excellence, located in Tallinn, Estonia. The Centre was established on 14 May 2008 it received full accreditation by NATO and attained the status of International Military Organisation on 28 October 2008.

UN AID TO REMOTE CAMP ON JORDAN-SYRIA BORDER

- The Syrian government has given approval for the United Nations to deliver aid to thousands of civilians stranded on the Jordanian-Syrian border and threatened with starvation.
- Block on aid by Jordan has depleted food at the camp in the Rubkan area of southeast Syria. That has led to at least a dozen deaths.
- Rubkan lies inside a "deconfliction zone" set up by U.S. forces. Syria says U.S. troops are occupying Syrian territory and providing a safe haven for rebels.
- The overall humanitarian situation inside the Rubkan camp is at a critical stage. The U.N. in Syria together with Syrian Red Arab Crescent (SARC) will reach the camp to provide life-saving humanitarian assistance in the coming few days.

RUSSIAN MILITARY COOPERATION WITH AFRICAN COUNTRIES

- Russia has signed at least 19 military cooperation deals with governments in sub-Saharan Africa since 2014, when it came under Western sanctions for annexing Crimea and stepped up efforts to diversify its economic and diplomatic partnerships.
- The agreements are typically valid for five years renewable and include Russian promises of hardware and training as well as coordination in areas such as counter-terrorism and piracy.
- (19 Countries): Botswana, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Eswatini, Ethiopia, Gambia, Ghana, Guinea, Mozambique, Niger, Nigeria, Rwanda, Sierra Leone, Tanzania, Zambia, Zimbabwe,

'KHASHOGGI CRISIS' IN NEWS

- The murder of journalist *Jamal Khashoggi* inside the kingdom's consulate in Istanbul by a team sent from Riyadh on October 2 has severely tarnished Saudi Arabia's global reputation.
- But it is the potential involvement of Crown Prince Mohammad bin Salman (MBS), the oil-rich Gulf nation's de facto leader known by his initials MBS.
- World leaders are demanding an explanation and concern was growing world over.
- Khashoggi, a U.S. resident and leading critic of Prince Mohammed, vanished after entering the Saudi consulate in Istanbul on Oct. 2.
- Turkish officials say that the Saudi journalist was murdered there and his body removed, allegations which Saudi Arabia has strongly denied.
- Khashoggi's disappearance has further tarnished the crown prince's reputation, deepening questions among Western allies and some Saudis about his leadership.

MACEDONIA NAME CHANGE

- Macedonia's parliament approved a proposal to change the country's name, bringing a decades-old dispute with Greece one step closer to being resolved.
- Parliament voted in favour of renaming the Balkan country Republic of North Macedonia - just reaching the two-thirds majority needed to enact constitutional changes.
- The move could unblock its bids to join NATO and the European Union, long blocked by Greece, which argues that 'Macedonia' implied territorial claims to a Greek province of the same name. The two countries reached agreement on the name change in June.

COMOROS STANDOFF ON ISLAND

- Five days of clashes between protesters and police in Comoros' Anjouan island have subsided after the national government, local authorities and the Anjouan capital Mutsamudu signed an accord aimed at ending the violence.
- Anjouan has been shaken by clashes pitting security forces against young men angry at President Azali Assoumani's plans to end a rotating presidency in a way critics say could leave Anjouan permanently excluded from national power.

KOSOVO TO CREATE NATIONAL ARMY

- Parliament in Kosovo, which relies on NATO troops for its protection, voted to set up a 5,000-strong national army (though its Serb minority said the move was illegal).
- The U.S.-led NATO alliance, which has 4,000 troops in the Balkan country, has also in the past urged Kosovo not to create a national army unless the constitution was amended with the support of the Serb minority.

UZBEKISTAN NUCLEAR POWER PLANT

- Russia and Uzbekistan began preliminary work on the first Uzbek nuclear power plant, a project estimates will cost \$11 billion.
- The plant, to be largely financed by a soft loan from Russia, will allow Uzbekistan to use more of its natural gas for other purposes such as chemicals production or export. Today, most electric power in Uzbekistan is generated by gas turbines, but the country wants to extract more added value from its gas reserves.
- Russia's Gazprom signed a production-sharing agreement for the Dzhel gas field where it aims to produce about 300 million cubic metres a year at pea.

POLAND'S OVERHAUL OF SUPREME COURT

- The European Court of Justice - the highest court of the European Union - issued an injunction against the implementation of Poland's new law on the Supreme Court, freezing any changes to the existing system.

WORLD'S FIRST MULTILATERAL AIR ENCOUNTER CODE

- Southeast Asian countries agreed to guidelines to manage unexpected encounters between their military aircraft, with host Singapore calling the pact a world first and saying they would encourage their international partners to join.
- Southeast Asian Defence Ministers adopted a set of multilateral guidelines (GAME) to manage air military encounters.
- The agreement, signed by defence ministers of the 10-member Association of Southeast Asian Nations (ASEAN) at a conference in Singapore, includes a region-wide pact on the exchange of information on terrorism threats.
- The voluntary, non-binding guidelines on air encounters build on an existing code to manage sea encounters adopted last year by ASEAN and its "plus" partners - Australia, China, India, Japan, New Zealand, Russia, South Korea and the United States.
- With the adoption of 'GAME' now finally occurring, the focus will move to the expansion of its support as well as efforts to see its gradual implementation.