

Reports In News

<p>India's Services Exports Increased By 11.4% in 2023: UNCTAD Report</p>	<ul style="list-style-type: none"> In the fourth quarterly (Q4) report for 2023, the United Nations Conference on Trade and Development (UNCTAD) revealed that India's service exports surged by 11.4% to USD 345 billion, despite global economic uncertainties. Conversely, China experienced a 10.1% decline in service exports, totaling USD 381 billion in 2023. However, China still emerged as the leading performer among developing nations in service exports, with India following closely behind <p>Highlights of the report :</p> <ul style="list-style-type: none"> World services exports rose by 8.9% to USD 7.9 trillion in 2023, with a 8.0% increase in Q4 2023. Among developing economies, major services exporters include China, India, Singapore, Turkey, Hong Kong, Thailand, and Taiwan. India's services export growth was propelled by sectors like travel, transport, medical, and hospitality. India experienced a marginal 0.4% decrease in services imports to USD 248 billion in 2023, with the USA leading among developed economies with USD 719 billion. <p>About United Nations Conference on Trade and Development (UNCTAD):</p> <ul style="list-style-type: none"> Established: 1964 Headquarters: Geneva, Switzerland Member nations: 195 Secretary-General: Rebeca Grynspan (Costa Rica)
<p>Global Report on Food Crises (GRFC)</p>	<ul style="list-style-type: none"> Nearly 282 million people in 59 countries and territories faced high levels of acute hunger. Acute malnutrition among children and women, with worsening situations for those displaced by conflict and disasters. Sudan saw the largest deterioration due to conflict, with 8.6 million more people facing high levels of acute food insecurity compared to 2022. Conflict, extreme weather events, and economic shocks were identified as primary drivers of the food crisis. The GRFC is produced annually by the Food Security Information Network (FSIN) and launched by the Global Network Against Food Crises (GNAFC). Established in 2016, GNAFC aims to enhance coordination among existing initiatives and organizations, including the European Union, the UN's Food and Agriculture Organization (FAO), and the World Food Programme (WFP), to address the underlying causes of food crises.
<p>'Re-aligning Agri-food Policies for Protecting Soil, Water, Air & Biodiversity (SWAB)</p>	<ul style="list-style-type: none"> The report, released by ICRIER, focuses on the impact of agri-food policies on India's agricultural production and advocates for the synergy of Sustainable Water-Agriculture-Biodiversity (SWAB) for sustainable food systems. Recommendations include the implementation of premium Minimum Support Prices (MSP) for low-carbon crops and the exploration of carbon markets for carbon farming credits. ICRIER, established in 1981, is a non-profit economic think tank providing research and policy advice on economic matters to the Indian government and other entities. It aims to enhance policy-making by offering analytical research and objective policy recommendations.

- **About:**
 - **Launch year** -Jan 2019
 - **Ministry Of Environment Forest & Climate Change**
 - **Budget allocated ₹10,422.73 crore**
 - **Target** - cut the Particulate matter (PM10 and PM2.5) 20%/30% by 2024
 - These was later revised to **40% by 2026 (with 2017 as the base year for comparison)**
- **Key Features:**
 - **Identification of Non-Attainment Cities** - 122 non-attainment cities based on 2014-2018 air quality data.
 - **City-Specific Action Plans** - city-specific action plans focusing on strengthening monitoring networks, reducing emissions, and increasing public awareness
 - **Collaborative Coordination**- Between central ministries, state governments, and local bodies
 - **Integration with Existing Policies:** Integration with existing policies and programs, including **the National Action Plan on Climate Change (NAPCC)** and other climate-related initiatives.
- **Challenges**
 - **Underutilization of Funds** - Only 60% of allocated funds utilized on average, with some cities spending less than 30% of their budgets, leading to ineffective implementation.
 - **Implementation Delays** - Bureaucratic hurdles and lack of standard operating procedures contribute to delays in implementing city-specific action plans.
 - **Technical Challenges** - Technical issues such as defining specifications for tendering processes and procuring necessary equipment hinder implementation efforts.

RBI sets Eligibility Criteria for SFB to transit into Universal banking under on-tap licensing

- **On April 26, 2024**, the **Reserve Bank of India (RBI)** introduced a framework outlining eligibility conditions for the voluntary transition of **Small Finance Banks (SFBs)** to **Universal Banks (UBs)**.
 - These conditions are based on the "**Guidelines for 'on-tap' Licensing of Small Finance Banks in Private Sector**" issued on **December 5, 2019**.
 - These guidelines offer a pathway for **Small Finance Banks (SFBs)** to transition into Universal Banks (UBs).
 - The **Reserve Bank of India (RBI)** issued these instructions under the authority granted by **Section 22(1) of the Banking Regulation Act, 1949**.
- **Universal banks (UBs)** provide a broad spectrum of financial services, including commercial banking, investment banking, and insurance.
 - Previously, **Small Finance Banks (SFBs)** were primarily limited to basic banking functions like deposit acceptance and lending to underserved sections.
- **On-tap licensing**, introduced in 2016, allows banks to apply for licenses from the RBI at any time.
 - Before this, licenses were granted by the RBI to eligible applicants through invitation-based applications.
- **Eligibility Criteria For SFB'S to transitioning into UB'S:**
 - SFBs need a minimum net worth of **Rs1000 crore** as of the previous quarter (audited).
 - Interested SFBs must hold scheduled status with a satisfactory performance track record for **at least 5 years**.
 - They should meet the prescribed **Capital to Risk-Weighted Assets Ratio (CRAR) requirements of 15%**.
 - The bank's shares must be listed on a recognized stock exchange, **except for North East Small Finance Bank**.
 - SFBs should demonstrate a net profit in the **last 2 financial years**.
 - **Gross Non-Performing Asset (GNPA)** and **Net Non-Performing Asset (NNPA)** should not exceed **3% and 1% respectively in the last 2 financial years**.
- **About SFB'S :**
 - **Genesis:** Introduced in the Union budget of 2014-15.
 - **Registrations:** Registered as a public limited company under the Companies Act, 2013.
 - **Licensing:** Governed by the Banking Regulation Act, 1949, with no operational restrictions.
 - **Capital Requirement:** Minimum capital requirement of Rs. 200 crore (exceptions may apply for some SFBs).
 - **Mandates for Financial Inclusion:** allocate 75% of their Adjusted Net Bank Credit (**ANBC**) to the priority sector.

Government Securities (G-Sec Bonds)

- RBI maintained the Foreign Portfolio Investment (FPI) limit in Government Securities (G-Secs) at 6% of outstanding stocks for 2024-25.
- **About G-Secs:**
 - Tradable instruments issued by Governments through auctions conducted by RBI.
- **Types:**
 - **Short-term:** Known as treasury bills, with maturities of less than one year.
 - **Long-term:** Known as Government bonds or dated securities, with maturities of one year or more.
- Central Government issues both **treasury bills and government bonds**, while State Governments issue only government bonds (**State Development Loans or SDLs**).

World Energy Council (WEC)

- The **26th World Energy Congress**, co-hosted by the **World Energy Council (WEC)**, concluded in **Rotterdam, Netherlands**.
- **About WEC:**
 - **Genesis:** Established in 1923, UN-accredited not-for-profit global energy body.
 - **Mission:** Facilitate access to clean, affordable, and reliable energy for improved lives and a healthier planet.
 - **Role:** Develop practical solutions and convene a network of global energy transition leaders and practitioners.
 - **Members:** Over 3000 organizations (public, private, and academic sectors) across approximately 90 countries.

Authorised Economic Operator (AEO) Status

- The Centre has extended Authorized Economic Operator (AEO) status to the gem and jewellery sector.
- **About AEO program:**
 - Under the **World Customs Organization (WCO) SAFE Framework**.
 - **Aims** to bolster international supply chain security and ease movement of legitimate goods.
 - Aligned with commitments under the **World Trade Organization trade facilitation agreement**.
 - Enables Indian Customs to improve cargo security through collaboration with key stakeholders in the international supply chain.

Internet economy should embrace NaaS

- In India's rapidly advancing internet economy, embracing **Network as a Service (NaaS)** holds promise for enhancing user experiences.
 - **Network as a Service (NaaS)** is a cloud-like networking model where network resources are provided to customers on demand, offering networking functionality without the need for customers to invest in hardware or manage infrastructure directly.
- **With over 850 million active internet users** and a digital economy projected to contribute **20% to GDP by 2026**, NaaS offers a cloud-like networking model, providing on-demand network resources without the need for direct infrastructure management.

Other Terminologies:

Concept	Explanation	Example
PaaS	Platform as a Service (PaaS) Offers a platform for app development without managing infrastructure	Microsoft Azure App Service, Google App Engine etc
IaaS	Infrastructure as a Service (IaaS) Provides virtualized computing resources over the internet	Amazon Web Services (AWS), Google Cloud Platform (GCP) etc
SaaS	Software as a Service (SaaS) Delivers software applications online.	Google Workspace, Microsoft Office 365, Dropbox etc