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INTERNATIONAL AFFAIRS

#RISHI SUNAK AS 57TH PM OF UNITED KINGDOM

Recently, Rishi Sunak took charge as the 57th Prime Minister of the United Kingdom.

He is the **country's third PM in 50 days** after first Boris Johnson and then Liz Truss was forced from office by a rebellion within the ruling Conservative Party.



Who is Rishi Sunak?

What are the Opportunities for India-UK ties under PM Rishi Sunak?

- It is an opportunity for India and the U.K to work closely together on global issues **and** implement the roadmap 2030 for bilateral relations with the elevation of a person of Indian origin as prime minister of the U.K.
- His vision for India-U.K. bilateral ties **has gone beyond the opportunity for the U.K. to sell things in India**, wanting Britain to also "learn from India". A **Free Trade Agreement** between India and the UK is expected to enhance economic growth and prosperity by: increasing import and export flows; increasing investment flows (both outward and inward); enhancing productivity through a more efficient allocation of resources; and greater openness to international competition.

What is the Distinction between the British and Indian Parliamentary System?

- The parliamentary system of government in India is **largely based on the British parliamentary system**. However, it never became a replica of the British system and differs in the following respects:
- India has a **republican system in place of the British monarchical system**. In other words, the Head of the State in India (that is, President) is elected, while the **Head of the State in Britain (that is, King or Queen) enjoys a hereditary position**.
- The **British system is based on the doctrine of the sovereignty of Parliament**, while the Parliament is not supreme in India and enjoys limited and restricted powers due to a written Constitution, federal system, judicial review and fundamental rights.
- In Britain, the **prime minister should be a member of the Lower House** (House of Commons) of Parliament. In India, the **prime minister may be a member of any of the two Houses of Parliament**.
- Usually, the **members of Parliament alone are appointed as ministers in Britain**. In India, a person who is not a Member of Parliament can also be appointed as minister, but for a maximum period of six months.
- Britain has the **system of legal responsibility of the minister** while India has no such system. Unlike in Britain, the ministers in India are not required to countersign the official acts of the Head of the State.
- **'Shadow cabinet' is a unique institution of the British cabinet system**. It is formed by the opposition party to balance the ruling cabinet and to prepare its members for future ministerial office. There is no such institution in India.

#INDO-PACIFIC REGION

Emphasising sustainable use of ocean resources for economic growth while preserving the ecosystem's health, the Defence Minister of India during the **18th Heads of Asian Coast Guard Agencies Meeting (HACGAM)** in New Delhi said India stands for open and rule-based maritime borders in Indo-Pacific.

What is the Heads of Asian Coast Guard Agencies Meeting (HACGAM)?

- It is an apex level forum facilitating the congregation of all the major Coast Guard Agencies of the Asian region, it was established in 2004.
- It is a **multilateral forum of 23 countries** including Australia, Bahrain, Bangladesh, Brunei, Cambodia, China, France, India, Indonesia, Japan, South Korea, Lao PDR, Malaysia, Maldives, Myanmar, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, Turkiye, Vietnam and one Region i.e., Hong Kong (China).
- The **Indian Coast Guard (ICG)** is hosting the 18th HACGAM in coordination with the HACGAM Secretariat. A total of 55 representatives from 18 countries and two International Organisations — **Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia Information Sharing Centre (ReCAAP ISC)** and **United Nations Office on Drugs and Crime - Global Maritime Crime Programme (UNODC-GMCP)** are participating in the meeting.



What is the Indo-Pacific Region?

- Indo-Pacific is a recent concept. It was about a decade ago that the world started talking about the Indo-Pacific; its rise has been quite significant.
- One of the reasons behind the popularity of this term is an understanding that the **Indian Ocean and the Pacific are a linked strategic theater**.
- Also, the centre of gravity has shifted to Asia. The reason being maritime routes, the Indian Ocean and the Pacific provide the sea lanes. The **majority of the world's trade passes through these oceans**.

What is India's Perspective of the Indo-Pacific?

- **Cooperate with Others for Security Architecture:** A lot of India's special partners, the US, Australia, Japan and Indonesia want India's presence in the **South China Sea**, East China Sea, basically to counter China.
- India, however, seeks to cooperate for an architecture for peace and security in the region. The common prosperity and security require the countries to evolve, through dialogue, a common rules-based order for the region.
- **Indo-Pacific Extends from Africa to America:** For India, Indo-Pacific stands for a free, open, inclusive region. It includes all nations in the geography and also others who have a stake in it. In its geographical dimension, India considers the area from the shores of Africa to the shores of America.
- **Equal Share in Trade and Investment:** India supports rule-based, open, balanced and stable trade environment in the Indo-Pacific Region, which lifts up all nations on the tide of trade and investment. This is the same as what the country expects from the **Regional Comprehensive Economic Partnership (RCEP)**.
- **Unified ASEAN:** Unlike China, India seeks a unified ASEAN, not a divided one. China tries to play off some ASEAN members against others, thereby in a way executing 'divide and rule' conquest strategy.
- **Work in Collaboration with China:** India does not comply with the US version of Indo-Pacific, that seeks to contain Chinese dominance. India is rather looking for the ways through which it can work together with China.
- **Against Dominance of a Single Player:** India is **looking for democratising the region**. Earlier, the region used to be almost like an American lake. However, there exists a fear that the region will become Chinese lake now. India doesn't want hegemony of any player in the region.

#ISRAEL-LEBANON: MARITIME BORDER DEAL

Recently, Israel and Lebanon signed a U.S.-brokered Maritime Border Deal which paves the way for lucrative **offshore gas extraction** by the neighbors that remain technically at war.

What is the Deal?

Background:

- Lebanon and Israel have been **officially at war since Israel's creation in 1948** and both countries **claim some 860 square kilometers (330 square miles) of the Mediterranean Sea**.
- There have been decade old tensions between Israel and Lebanon's competing claims over offshore gas fields in the region, which contains part of the Karish gas field and Qana, a prospective gas field.
- The Karish gas field, being developed by Israel, came under threat from **Hezbollah, Lebanon's powerful political and militant group backed by Iran**.
- The two countries **declared overlapping boundaries in 2011 in the Mediterranean Sea**. Since both countries have been technically at war, the **United Nations was asked to mediate**.
- The issue gained significance after **Israel discovered two gas fields off its coast a decade ago**, which can help turn it into an energy exporter.



About:

- It resolves a territorial dispute in the eastern Mediterranean Sea, in an area that **Lebanon wants to explore for natural gas**. The gas field is located on the **maritime boundary between the two countries** and this agreement would allow **both countries to get royalties from the gas**.
- Under the deal, Israel receives **full rights to explore the Karish field**.
- Lebanon receives full rights in the **nearby Qana field, but it agreed to allow Israel a share of the royalties**.
- It sets a border between Lebanese and Israeli waters for the first time, largely along a **demarcation referred to as Line 23**.
- The agreement does not **touch on the shared land border between Israel and Lebanon**, which is still disputed. This border is also called the **Blue Line, a boundary that was drawn up by the UN after Israel withdrew from southern Lebanon in 2000**.

#PAKISTAN REMOVED FROM FATF GREY LIST

Recently, the **Financial Action Task Force (FATF)**, the international watchdog on terror financing and money laundering, has **removed Pakistan from the list of countries under "increased monitoring" (Grey List)**.

India's other neighbour on the grey list, **Myanmar, was moved to the "black list"** due to actions by the military leadership after the **2021 coup**.



What is the FATF?

- FATF is the **global money laundering and terrorist financing watchdog**. It also aims to counter the financing of proliferation of **weapons of mass destruction**. It was set up in 1989 out of a **G-7 meeting of developed nations in Paris**. Its **Secretariat** is located at the Organisation for Economic Cooperation and Development (**OECD**) headquarters in Paris.

Members:

- It is a 39-member body with 37 countries and two regional organisations: the **European Commission**,

and the **Gulf Cooperation Council**.

- Indonesia is the only observer country of FATF.
- India joined with '**observer**' status in **2006** and became a full member of FATF in **2010**.
- India is also a member of its regional partners, the **Asia Pacific Group (APG)** and the **Eurasian Group (EAG)**.
- **Greylisting and Blacklisting Countries:**
- The **FATF Plenary** (decision-making body of the FATF) meets tri-annually - in February, June and October, to take stock of "**Mutual Evaluation Reports**" (**MERs**) of the countries it reviews. If a country appears to have major deficiencies in its **AML/CFT regime**, it is put on a list of "jurisdictions under increased monitoring" - "**grey list**" and if it fails to address FATF concerns, it is put on a "high-risk jurisdictions" list - "**black list**".
- **AML/CFT** refers to "**Anti-Money Laundering/Combating the Financing of Terrorism**". The Grey List includes countries that are considered safe haven for supporting terror funding and money laundering. It serves as a warning that the country may enter the blacklist.
- The Black List includes **Non-Cooperative Countries or Territories (NCCTs)** that support terror funding and money laundering activities. As of now, **Iran, North Korea and Myanmar** are the three black listed countries.
- The enlisted countries are subjected to **increased financial structures**, thus making it **difficult for them to procure loans** from the financial institutions affiliated to FATF (as observers) such as the **IME, World Bank** etc.

What are the Key Points about Pak's Removal from the Grey List?

- **FATF's Stand:** The FATF lauded "**Pakistan's significant progress**" saying that the country had completed two action plans comprising a 34-point tasklist in the period since 2018.
- Pakistan has been **removed from the list after four years**. It was first put on the list in **2008**, removed in 2009 and before adding it again in **2018**, it remained under increased monitoring from **2012 to 2015**.
- **India's Response:** India has protested Pakistan's lack of action against cross-border terror groups responsible for attacks on India, however, it **agreed to the decision to take Pakistan off the list**, as the latter had submitted "**documentary evidence**" of its actions against designated terrorists. India believes that Pakistan must continue to take "**credible, verifiable, irreversible and sustainable**" action against terror groups emanating from territories under its control.

#UNSC COUNTER TERRORISM COMMITTEE

Recently, India has hosted a special meeting of the **United Nations Security Council's Counter Terrorism Committee (CTC)** to discuss **terror-financing through crypto-currency and use of drones** in the new-age terrorism. This **will be the first such meeting of the UNSC-CTC** in India since its establishment in 2001. The Permanent Representative of India (Ruchira Kamboj) to the **UN (United Nations)** serves as the Chair of the CTC for 2022. **Theme:** Countering the use of new and emerging technologies for terrorist purposes.

What is UNSC-CTC?

- It was established by **Security Council resolution 1373** which was adopted unanimously on 28th September 2001 in the wake of the 9/11 terror attacks in the US.
- **The Committee comprises all 15 Security Council members.**
- **Five permanent members:** China, France, Russian Federation, the United Kingdom, and the United States, and ten non-permanent members elected for two-year terms by the General Assembly.
- The Committee was **tasked with monitoring implementation of resolution 1373** which requested countries to implement a **number of measures aimed at enhancing their legal and institutional ability** to counter terrorist activities at home and around the world.
- This includes taking steps to **criminalize the financing of terrorism, freezing any funds related to persons involved in acts of terrorism, deny all forms of financial support for terrorist groups**, suppress the provision of safe haven, sustenance or support for terrorists and share information with other governments on any groups practicing or planning terrorist acts.

What is Terrorism?

- Any person who commits an offense, with the purpose of the conduct is to intimidate a population or to compel a Government or an international organization to do or abstain from doing any act, which causes:
- Death or serious bodily injury to any person; or
- Serious damage to public or **private property, including a place of public use, a State or government facility, a public transportation system, an infrastructure facility or the environment; or**
- Damage to property, places, facilities, or systems resulting in or likely to result in a major economic loss.

Indian Initiatives to Tackle Terrorism:

- In the wake of the terror attack, **several steps were initiated to streamline the security set-up.**
- Coastal security **was given high priority**, and it is with the Navy/Coast Guard/marine police.
- A specialised agency to deal with terrorist offences, the **National Investigation Agency**, was set up and has been functioning from January 2009.
- The **National Intelligence Grid (NATGRID)** has been constituted to create an appropriate database of security-related information.
- Four new operational hubs for the **National Security Guard** have been created to ensure rapid response to terror attacks. The **Multi-Agency Centre**, which functions under the Intelligence Bureau, was further strengthened and its activities expanded.
- The Navy constituted a **Joint Operations Centre to keep vigil over India's extended coastline.**

Global Efforts:

- The **United Nations Office of Counter-Terrorism (UNOCT)** leads and coordinates an all-of-UN approach to prevent and counter-terrorism and violent extremism.
- UN Counter-Terrorism Centre (UNCCT) under UNOCT promotes international cooperation in the fight against terrorism and supports the Member States in implementing the Global Counter-Terrorism Strategy.
- The **Terrorism Prevention Branch (TPB)** of the **United Nations Office on Drugs and Crime (UNODC)** plays a significant role in international efforts. It works to assist the Member States, upon request, with the ratification, legislative incorporation and implementation of the universal legal framework against terrorism.
- **The Financial Action Task Force (FATF)** which is a global money laundering and terrorist financing watchdog, sets international standards that aim to prevent these illegal activities and the harm they cause to society.

#CONFLICT IN ETHIOPIA

An **Ethiopian government team and Tigray forces** are going to have peace talks in South Africa.

What Paved to the Peace Talks?

- The spectrum of political, economic and security problems that confronted Ethiopia and Eritrea paved the way for a **strategy that essentially incorporated reconciliation and democratisation**, social and economic development, and, importantly, ties with the western world.
- This is the first formal Peace talks between the two led by the **African Union** and is happening at a time when Ethiopian forces and allies have made some gains in Ethiopia's northern Tigray region.
- Tigray was a prominent force in the **country's ruling coalition until Ethiopia's current leader** and Nobel Peace laureate (2019) Abiy Ahmed became the Prime Minister in 2018.

Where is Ethiopia?

- It is a landlocked country located in the Horn of Africa, officially known as the Federal **Democratic Republic of Ethiopia**. The country lies completely **within the tropical latitudes and is relatively compact, with similar north-south and east-west dimensions**.
- The capital is Addis Ababa.
- Ethiopia is one of the world's oldest countries, its territorial **extent having varied over the millennia of its existence**.
- It is the tenth-largest country in Africa in terms of area.
- Ethiopia is located from Sudan in the southeast, Eritrea to the south, Djibouti and Somalia to the west, Kenya to the north, and South Sudan to the east.
- It is the most **populous landlocked country in the world**.

What is the Conflict in Ethiopia?

- Ethiopia was an imperial state that gradually weakened with the **emergence of regional and religious rivalries**.
- Currently Ethiopia has more than 70 ethnic groups. It has Oromo 34.5%, Amhara 26.91%, Somali 6.20%, and Tigre 6.07%.
- A major insurgency followed in the 1970s — in Tigray, where the Meles Zenawi-led **Tigray People's Liberation Front (TPLF)**, rebelled against the military government and its policies.
- It was the backing of the then Soviet Union and allies that propped up both the armed forces and the Mengistu government, but this support began to dissipate in the **1980s, influencing the course of conflicts with the Eritreans and Tigray**.

#CONFLICT IN KOREAN PENINSULA

Recently, North Korea flew 12 warplanes near its border with South Korea, prompting the latter to scramble 30 military aircraft in response.

Tensions have risen sharply on the **Korean Peninsula** as North Korea's recent barrage of missile tests prompted **South Korea, the United States and Japan** to conduct joint drills in response

What is the Conflict in the Korean Peninsula?

Origin:

- The root of the conflict lies in the **Japanese occupation of Korea between 1910- 1945**.
- When Japan was defeated in the **Second World War**, the Allied forces agreed to establish a "**four-power trusteeship over Korea**" at the **Yalta Conference (1945)**.
- However, the **USSR (Union of Soviet Socialist Republics)** invaded Korea and took control of the



north while the south remained under the rest of the allies, mainly the USA.

- The division of the two regions was along the **38th parallel north**, which still **continues to be the official border** dividing the **two Koreas**.
- **In 1948**, the Republic of Korea (South Korea) and the Democratic People's Republic of Korea (North Korea) were established. As both tried to enhance their reach, territorially and ideologically, the **Korean Conflict emerged** between the two nations.

The Korean War:

- On 25th June 1950, North Korea, backed by the USSR, launched **an attack on South Korea** and occupied most of the country.
- In response, the United Nations force **led by the US retaliated**.
- In 1951, the US forces led by Douglas MacArthur crossed the **38th parallel** and **triggered the entry of China** in support of North Korea.
- To prevent further escalation, peace **talks began later in 1951**.
- **India was actively involved in negotiating peace in the Korean peninsula** by engaging all the major stakeholders – **US, USSR and China**.
- In 1952, the Indian resolution on Korea was adopted at the **United Nations (UN)**.
- On 27th July 1953, the **Korean Armistice Agreement** was signed between the UN Command, the Korean People's Army and the Chinese People's Volunteer Army.
- It led to an official ceasefire without a Peace treaty. Thus, the war officially never ended.
- This also led to the establishment of the **Korean Demilitarised Zone (DMZ)** – a strip of land running across the Korean Peninsula to serve as a **buffer zone between North Korea and South Korea**.
- In **December 1991**, North and South Korea signed a pact agreeing to refrain from aggression.

What is the US-North Korea Conflict?

- During the **Cold War era**, the US extended its **Nuclear Umbrella** (guarantee of support during a nuclear attack) to its allies i.e. South Korea and Japan.
- North Korea withdrew from the **Non-Proliferation Treaty (NPT)** in 2003 and afterwards, under present leader Kim Jong-un, it increased nuclear missile testing.
- In response to this, the US started deploying **THAAD (Terminal High Altitude Area Defence)** in South Korea in March 2017.
- The territorial conflict which started between North and South Korea has transformed into a tussle between the US and North Korea.

What about India's Position in Korean Conflict?

- **Indian's Stand:** India has consistently **voiced its opposition to North Korean nuclear and missile tests**. However, it has **maintained a neutral stance** regarding sanctions. Earlier, during the Korean War (1950- 53), India played a **major role in a cease-fire agreement signed between both the warring sides**.

India's Relations with North and South Korea:

In May 2015, the bilateral relationship with South Korea was upgraded to '**special strategic partnership**'.

India has a major role to play in **South Korea's Southern Policy** under which the latter is looking at expanding relations beyond its immediate region.

- Similarly, South Korea is a major player in **India's Act East Policy** under which India aims to promote economic cooperation, cultural ties and develop strategic relationships with countries in the Asia-Pacific. India has diplomatic relations with **North Korea** for over 47 years, which reflects the legacy of India's commitment to the **Non-Alignment Movement**.

#UAE'S NEW VISA RULES

Recently, the United Arab Emirates' (UAE's) has announced **new visa rules** in order to attract tourists as well as those who wish to work or live in the UAE.

A visa is an official document that allows the **bearer to legally enter a foreign country**.



What are the Key Changes?

- **Three categories:** Entry visa, Green visa and Golden visa.
- For the first time, the UAE has introduced entry visas that **do not require a host or sponsor for visitors**. Entry visas or Tourist Visas will now be available for **single or multiple entries** and **will be valid for 60 days** unlike the previous 30-day period.
- The **Green Visa** is a type of renewable-residence visa that allows foreigners to sponsor themselves for five years, without having to rely on a UAE national or employer to sponsor their visa. It replaces the previous residence visa that was valid only for two years.
- The **Golden visa** offers **holders long-term renewable residence visas** for upto 10 years. Those that are eligible for the Golden visa include investors, entrepreneurs, individuals with exceptional talents the likes of researchers, medical professionals and those within the scientific and knowledge fields and outstanding students and graduates.
- Skilled professionals can get **long-term residency** if they have a minimum monthly salary requirement of **AED (United Arab Emirates Dirham) 30,000** a month. Investors can also get the visa when purchasing a property worth at least AED two million.
- The updated visa system is an attempt at **improving the quality of life and making the experience of living, working and investing in the UAE** a pleasant and happy one.

How will it Benefit Indians?

- The Indian expatriate community of approximately **3.5 million** constitutes about **30% of the UAE population**.
- The restructuring of its entry and residence system will further **boost the country's image as an ideal destination for work and investment**.
- Thousands of talented professionals are expected to find employment in the UAE and **tourists can now experience a hassle-free vacation** with the simplified visa system.

#SAPTA KOSI HIGH DAM PROJECT

Recently, **India and Nepal** have agreed to take forward the **Sapta Kosi high dam project** through further studies.

Senior officials of the two sides have **met and reviewed the bilateral water-sector cooperation**, including the implementation of the **Mahakali Treaty**.

What is Sapta Kosi High Dam Project & Mahakali Treaty?

Sapta Kosi High Dam Project:

- Sapta Kosi High Dam is a **multipurpose project** proposed to be **constructed on the Saptakoshi River of Nepal (Known as Kosi River in India)**.
- The project is primarily aimed to **control floods in south-east Nepal and northern Bihar** and to **generate hydropower**.
- The project will provide irrigation, control floods and generate 3,000 MW of electricity.

Mahakali Treaty:

- The **Mahakali Treaty** was signed in 1996 over the integrated development of the **Mahakali River**, including **Sarada Barrage, Tanakpur Barrage and Pancheshwar project**.
- Mahakali River is also known as **Sharda River or Kali Ganga in Uttarakhand**.
- It joins **Ghagra River in Uttar Pradesh**, which is a tributary of **Ganga**.

What do we know about the Kosi River System?

- The **Kosi is a trans-boundary river** which flows through **Tibet, Nepal and India**.
- It has its **source in Tibet** that includes the **world's highest upland**, it then drains a **large part of Nepal** before emerging onto the Gangetic plains.
- Its **three major tributaries**: the Sun Kosi, Arun and Tamur meet at one point just upstream of a 10 km gorge cut through the Himalayan foothills.
- The river crosses into **northern Bihar, India** where it branches into distributaries before **joining the Ganges near Kursela in Katihar district**.
- The Kosi carries the maximum amount of silt and sand after the **Brahmaputra** in India.
- It is also known as the **"Sorrow of Bihar"** as the annual floods affect about 21,000 sq. km. of fertile agricultural lands thereby **disturbing the rural economy**.

What are some other Recent Developments in India Nepal Relations?

- **Build Own Operate and Transfer (BOOT):** A **Memorandum of Understanding (MoU)** was signed between the **Government of Nepal** and **Sutlej Jal Vikas Nigam (SJVN) Limited** for the project in 2008 for execution on a **Build Own Operate and Transfer (BOOT)** basis for a period of 30 years including five years of the construction period.
- **Hydropower Projects:** Nepal also invited **Indian companies to invest** in the **West Seti hydropower project** in Nepal.
- **Cross-border Rail Link:** The operationalisation of the **35 kilometers cross-border rail link from Jayanagar (Bihar) to Kurtha (Nepal)** will be further extended to Bijalpura (Nepal) and Bardibas (Nepal).

#7TH ASEAN INDIA MINISTERIAL MEETING

Recently, the **7th ASEAN-India Ministerial Meeting (AIMMAF)** on Agriculture and Forestry was held virtually.

**What are the Highlights of the Meeting?**

- **India's Vision of keeping ASEAN:** India reiterated its vision of keeping Association of Southeast Asian Nations (ASEAN) at the center of India's Act East Policy.
- It also **emphasized mutually close regional cooperation with ASEAN to ensure sustainable** and inclusive growth for agricultural development in the region.
- **Steps towards Millets Production:** Referring to the importance of millet (nutritional-cereals) as a nutritious food and the **international nutritional-cereal year 2023**, India **urged the ASEAN member countries to support the efforts of India in increasing the production, processing, value addition and consumption of millets**.

What is the Association of Southeast Asian Nations?

- It is a **regional grouping that promotes economic, political, and security cooperation**.
- It was **established in August 1967 in Bangkok, Thailand** with the signing of the ASEAN Declaration (Bangkok Declaration) by the founding fathers of ASEAN, namely Indonesia, Malaysia, Philippines,

Singapore and Thailand.

- Its **chairmanship rotates annually**, based on the alphabetical order of the English names of Member States.
- ASEAN countries have a total population of 650 million people and a combined **Gross Domestic Product (GDP)** of USD 2.8 trillion.
- Commodity trade between India and ASEAN region has reached 98.39 billion in the period April 2021-February 2022. India's main trading ties are with Indonesia, Singapore, Malaysia, Vietnam and Thailand.

#OPEC+ CUTS OIL PRODUCTION

Recently, the **Organisation of the Petroleum Exporting Countries and its allies (OPEC+)** has decided to **cut oil production by 2 million barrels per day (bpd)**.

This is the **largest cut since the beginning of the Covid-19 pandemic**.

US legislation in May 2022 passed the **No Oil Producing and Exporting Cartels (NOPEC) bill**, which is intended to protect **US consumers and businesses from engineered oil spikes**.



What are the Reasons for Slashing Production?

- Oil prices skyrocketed after Russia's invasion of Ukraine and have since begun to **soften over the past few months**, before dropping sharply to **under USD 90 in September, 2022** due to **fears of a recession in Europe** and reduced demands from China because of its **lockdown measures**.
- The reductions **would boost prices and be extremely beneficial for the Middle Eastern member states**, to whom **Europe has turned for oil** after levelling sanctions against Russia since it invaded Ukraine.
- OPEC+ members are concerned that a **faltering global economy would reduce the demand for oil**, and the cuts are seen **as a way to protect profits**.
- Increased oil prices, which first occurred during the invasion of Ukraine, have helped Saudi Arabia, one of the founding members of OPEC, **become one of the world's fastest-growing economies**.
- It is possible that Russia might be influencing OPEC, to make **it more expensive for the West to extend energy sanctions on Russia**.

What would be its Impact?

Impact on European Countries:

- Recently, the European Union had announced its plan to implement a price cap on oil exports from Russia.
- Under the plan, countries will only be permitted to purchase Russian oil and petroleum products transported via sea that are sold at or below the price cap.
- However, the recent decision to reduce the supply is likely to keep the global oil prices high, **allowing Russia to continue aiming for significant revenue from its crude export**.

Impact on the U.S:

- The move is likely to be highly detrimental to the US, which has **repeatedly asked the organisation to increase oil production**.
- Slashes in reduction and subsequently increased oil prices can be **particularly dangerous to the US**, who is trying to **reduce inflation rates before the midterm elections** in November 2022.

Impact on India:

- India imports nearly **85% of its crude requirement**, the oil import bill will rise on account of the rise in prices. The rise in import bills will not only lead to **inflation and a rise in the Current Account Deficit**

- (CAD) and fiscal deficit but also weaken the rupee against the dollar and hurt stock market sentiment
- As per **Investment Information and Credit Rating Agency (ICRA)**, for every \$10 per barrel increase in the price of the Indian crude oil basket, the CAD could widen by \$14-\$15 billion, or 0.4% of GDP.

What is OPEC+?

- Established in 1960 by founding members **Iran, Iraq, Kuwait, Saudi Arabia and Venezuela**, OPEC has since expanded and now has **13 member states**.
- Member countries are:** Algeria, Angola, Congo, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia, United Arab Emirates, Venezuela.
- Qatar terminated** its membership on 1st January 2019.
- With the addition of **another 10 allied major oil-producing countries**, the OPEC is known as **OPEC+**.
- OPEC+ countries include** 13 OPEC member countries, Azerbaijan, Bahrain, Brunei, Kazakhstan, Malaysia, Mexico, Oman, Russia, South Sudan and Sudan. The objective of the organization is to **"coordinate and unify the petroleum policies of its Member Countries** and ensure the **stabilisation of oil markets** in order to secure an efficient, economic and regular supply of petroleum to consumers, a steady income to producers and **a fair return on capital for those investing in the petroleum industry**.
- Previously controlled by western-dominated multinational oil companies known as the "Seven Sisters," OPEC sought to give the oil-producing nations greater influence over the global petroleum market.
- They account for roughly **40 % of the world's crude oil** and 80 % of the globe's oil reserves, according to estimates from 2018.
- They usually **meet every month to determine how much oil the member states will produce**.
- However, many allege that **OPEC behaves like a cartel**, determining the supply of oil and influencing its price in the world market.

#CCI IMPOSED PENALTY ON GOOGLE

Recently, **the Competition Commission of India (CCI)** has imposed a penalty of **Rs. 936.44 crores** on Alphabet-owned Google for "abusing its dominant position" in markets related to the Android mobile device ecosystem.

What is the Issue?

- The CCI ordered an investigation into Google Unfair Business Practices in 2019 after consumers complained about Android-based smartphones.
- The allegations against Google were based on two agreements between Original Equipment Manufacturers (OEMs) of Android OS and Google — **the Mobile Application Distribution Agreement (MADA) and the Anti-Fragmentation Agreement (AFA)**.
- The CCI stated that Google contravened competition law due to mandatory pre-installation of the entire **Google Mobile Suite (GMS)** under MADA and there was no option to uninstall the same.
- GMS is a **collection of Google applications and Application Programming Interface (APIs)** that help support functionality across devices. GMS includes Google's key offerings such as Google Search, Google Chrome, YouTube, Play Store, and Google Maps.
- This action of Google amounted to imposition of unfair conditions on the device manufacturers and thereby violated Section 4 of the competition Act.
- Section 4 of the Competition Act is related to abuse of dominant position.

What is the Competition Commission of India (CCI)?

- Competition Commission of India (CCI) is a **statutory body of the Government of India** responsible for enforcing the **Competition Act, 2002**; it was duly constituted in March 2009.
- The **Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act)** was repealed and replaced by the Competition Act, 2002, on the recommendations of the Raghavan committee.
- Composition:** The Commission consists of **one Chairperson and six Members** who shall be appointed by the Central Government.

- The commission is a **quasi-judicial body** which gives opinions to statutory authorities and also deals with other cases. The Chairperson and other Members shall be whole-time Members.

What is the Competition Act, 2002?

- The **Competition Act was passed in 2002** and has been amended by the Competition (Amendment) Act, 2007. It follows the philosophy of modern competition laws.
- The **Act prohibits anti-competitive agreements**, abuse of dominant position by enterprises and regulates combinations (acquisition, acquiring of control and M&A), which causes or likely to cause an appreciable adverse effect on competition within India. In accordance with the provisions of the Amendment Act, the Competition Commission of India and the Competition Appellate Tribunal have been established.
- Government replaced Competition Appellate Tribunal (COMPAT) with the National Company Law Appellate Tribunal (NCLAT) in 2017.

#DIGITAL SERVICES ACT (DSA): EU

The **European Union (EU)** has given **final approval to online safety-focused legislation called Digital Services Act (DSA)**, which is an overhaul of the region's social media and e-commerce rules.

What is the Digital Services Act?

- As defined by the EU Commission, the DSA is “a set of common rules on intermediaries’ obligations and accountability across the single market”, and ensures higher protection to all EU users, irrespective of their country. The DSA will tightly regulate the way intermediaries, especially large platforms such as Google, Facebook, and YouTube, function when it comes to moderating user content.

What are the Features of the Digital Services Act?

Faster Removals and Provisions to Challenge:

- As part of the overhaul, social media companies will have to add “**new procedures for faster removal**” of content deemed illegal or harmful.
- They will also **have to explain to users how their content takedown policy works**.
- The DSA also **allows users to challenge takedown decisions** taken by platforms and seek out-of-court settlements.

Bigger Platforms have Greater Responsibility:

- The law **avoids a one-size fits all approach** and places increased accountability on the Big Tech companies. Under the DSA, ‘**Very Large Online Platforms**’ (VLOPs) and ‘**Very Large Online Search Engines**’ (VLOSEs), that is platforms, having more than 45 million users in the EU, will have more stringent requirements.
- **Direct Supervision by the European Commission:** The European Commission will be responsible for centrally supervising these requirements and their enforcement.

More Transparency on how Algorithms Work:

- VLOPs and VLOSEs will **face transparency measures and scrutiny of how their algorithms work**. These platforms will be **required to conduct systemic risk analysis** and reduction to drive accountability about the society impacts of their products.

Information Technology Rules, 2021 (IT Rules):

- In February 2021, India had notified extensive changes to its social media regulations in the form of the **Information Technology Rules, 2021 (IT Rules)** which placed significant due diligence requirements on large social media platforms such as Meta and Twitter.
- These included **appointing key personnel to handle law enforcement requests and user grievances**, enabling identification of the first originator of the information on its platform under certain conditions, and deploying technology-based measures on a best-effort basis to identify certain types of content. One of **most contentious proposals is the creation of government-backed grievance appellate committees** which would have the authority to review and revoke content moderation decisions taken by platforms.

Objection to the Law:

- Social media companies have **objected to some of the provisions in the IT Rules**, and WhatsApp has filed a case against a requirement which mandates it to trace the first originator of a message.
- One of the reasons that the platform may be required to trace the originator is if a user has shared child sexual abuse material on its platform.
- WhatsApp has, however, alleged that the requirement will dilute the encryption security on its platform and could compromise personal messages of millions of Indians.

IT Act, 2000:

- India is **also working on a complete overhaul of its technology policies** and is expected to soon come out with a replacement of its **IT Act, 2000**.
- It is expected to look at ensuring net neutrality and algorithmic accountability of social media platforms among other things.

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