

**INTERNATIONAL RELATIONS**❖ **India-UAE Trade Deal**

➤ **CONTEXT:** The United Arab Emirates is in early discussions with India to trade non-oil commodities in Indian rupees, Emirati Minister for Foreign Trade Thani Al Zeyoudi recently.

- The UAE signed a wide-ranging free trade agreement in 2022 with India, which, along with China, is among the biggest trade partners for Gulf Arab oil and gas producers, most of whose currencies are pegged to the U.S. dollar.
- The UAE's trade deal with India aims to increase bilateral non-oil trade to \$100 billion in the next five years.
- The large majority of Gulf trade is conducted in U.S. dollars but countries such as India and China are increasingly seeking to pay in local currencies for various reasons, including lowering transaction costs.

➤ **About the deal**

- The new strategic economic agreement will increase bilateral trade in goods to \$100 billion in five years (2022-27) of the signed agreement and increase trade in services to \$15 billion.
- The Agreement is a comprehensive agreement which will cover:
- Trade in Goods, Rules of Origin, Trade in Services, Technical Barriers to Trade (TBT), Sanitary and Phytosanitary (SPS) measures, Dispute Settlement, Movement of Natural Persons, Telecom, Customs Procedures, Pharmaceutical products, Government Procurement, IPR, Investment, Digital Trade and Cooperation in other Areas.
- It will include a digital trade element, which is a first of its kind for both countries.
- The United Arab Emirates is India's third largest trading partner and second largest export destination. The UAE is also the eight largest investor in India with an estimated investment of US\$ 18 billion.
- Bilateral trade between India and the UAE stood at \$43.3 billion in 2020-21. Exports were \$16.7 billion, and imports, driven by oil, pushed the balance in favor of the UAE at \$26.7 billion in 2020-21.

➤ **Challenges**

- **Lack of negotiations:** A free trade agreement with the GCC comprising Saudi Arabia, Kuwait, UAE, Oman, Qatar and Bahrain as its members was first envisaged in 2007, but got stuck after a couple of rounds of negotiations.
- **Lacking Global Giant Experience:** Despite being a US \$2.5 trillion economy, Indian businesses are small in size. In fact, none of the Indian business giants come close to the big global conglomerates that have the capacity, infrastructure and experience to handle huge investments.
- **Procedural Issues:** Including lack of planning, lack of complete information, bureaucratic bottlenecks continue to remain a challenge for foreign investors despite significant efforts by the government in this direction to make investments easy and convenient.
- **Legal Issues:** Legal problems have in the past dampened foreign investments from coming to India. For example, the investments from UAE's Etisalat and Etihad had got stuck in legal problems, thus dampening investor enthusiasm. While checks and regulations are needed, better streamlining of the procedures and processes help in avoiding such problems.
- **Political Will:** There are challenges pertaining to political diversions, especially when an election year is approaching.
  - ✓ India has a tendency to become focused inward and in the process, ignore foreign policy.
  - ✓ The UAE with an appetite for large-scale investments needs to be continuously engaged.

➤ **Significance of the deal**

- **Enhanced market access:** The agreement will provide significant benefits to Indian and UAE businesses, including enhanced market access and reduced tariffs.
- The CEPA will boost bilateral trade from the current \$60 billion to \$100 billion in the next 5 years.
- India welcomed investment from the Gulf country into Jammu and Kashmir that would open new routes for regional trade and connectivity and advance the collective interests of India, Israel, the UAE and the United States.
- The deepening of the relationship with the UAE would also help Indian exporters gain access to other West Asian countries, Africa and some parts of Europe.
- **Digital trade:** Early harvest agreement would likely include a chapter on digital trade which would be aimed at enhancing cooperation between the two countries on digital trade in the future.

- ✓ Digital trade is likely to include frameworks on paperless trading, digital payments and online consumer protection, as well as address issues such as intellectual property rights in digital trade, and challenges to small and medium enterprises.
- The UAE hopes to get enhanced market access in India for its petrochemicals, metals and dates.
- Indian goods will flow to the other GCC countries as the UAE has no customs barriers.
- Energy ties: UAE is India's third largest supplier of crude oil and second largest supplier of LPG and LNG. Renewable energy is the next stop for bilateral energy ties.
- It may also give a boost to India's jewellery exports.
- It is expected to create new jobs, raise living standards, and provide wider social and economic opportunities in both nations.
- **Way Ahead**
- The India-UAE CEPA will further cement the already deep, close and strategic relations between the two countries and will create new employment opportunities, raise living standards, and improve the general welfare of the peoples of the two countries.
- Further, both countries need to identify clear areas of focus and establish ways of working together to resolve trade remedy cases.

## PRELIMS

### 1. Atal Bhujal Yojana (ABY)

➤ **CONTEXT:** The third meeting of the National Level Steering Committee (NLSC) of the Atal Bhujal Yojana was held recently.

➤ **About**

- Atal Bhujal Yojana was launched by PM Narendra Modi on former PM Atal Bihari Vajpayee's 95th birth anniversary, on 25th December 2019.
- Atal Bhujal Yojana (ATAL JAL) is being implemented as a Central Sector Scheme since April, 2020 in 8220 water stressed Gram Panchayats of 229 administrative blocks/Talukas in 80 districts of seven States, viz. Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh for five year period (2020-25).
- The Atal Bhujal Yojana is being funded by the World Bank. This scheme is being implemented by the Ministry Jal Shakti

➤ **Significance**

- Atal Bhujal Yojana is a significant scheme focused on helping Indian states improve their groundwater levels. Before the Atal Bhujal Scheme was launched, the following statistics were discovered -
- ✓ Groundwater in India provides for about 60% of the country's irrigation needs, 85% of rural drinking water requirements and 50% of urban water needs.
- ✓ As per 2013 data, 4 per cent of Ground Water assessment units in the country is in a critical state and 10 per cent in a semi-critical state due to over-exploitation and contamination.
- ✓ Therefore, Atal Bhujal Yojana is an important step in improving the groundwater situation in Indian states.

➤ **Objectives**

- Atal Bhujal Yojana aims to improve groundwater sustainability under the Jal Jeevan Mission. Besides this, the scheme aspires to support the Indian government's objective of doubling farmers' income and encouraging communities to use water optimally
- The main objective of the ABY scheme is to boost groundwater levels and create sufficient water storage for agricultural purposes.
- The scheme focuses on the renewal of surface water bodies so that groundwater levels can be increased, especially in rural areas.
- Atal Bhujal Yojana will enable the Indian states to recharge groundwater sources and ensure efficient use of water by involving people at the local level.
- One of the key aspects of ATAL JAL is to bring in behavioral changes in the community, from the prevailing attitude of consumption to conservation & smart water management.
- It is imperative that this message is driven across all levels, especially at the grass-root level, so that the objectives of the scheme are achieved.

- Creation of awareness among the general public about the program objectives and creation of an enabling environment for scheme implementation at various levels through information, education and communication (IEC) is an important activity under this scheme.

- Awareness campaigns have been undertaken using different media of mass communication. The thrust of the campaign is at the GP level, where communication tools such as nukkadnataks (street plays), audio-visual clips, wall-writing, display boards, pamphlets and cable TV are being extensively used.

## 2. **SUBMARINE VAGIR**

### ➤ **CONTEXT: Indian Navy is set to commission the fifth Kalvari class submarine Vagir.**

- These submarines are being built in India by the Mazagon Dock Shipbuilders Limited (MDL) Mumbai, under collaboration with France.
- Four of the Kalvari class of submarines have already been commissioned into the Indian Navy.
- Background: The erstwhile Vagir, submarine from Russia was commissioned in 1973 and undertook numerous operational missions including deterrent patrols. The submarine was decommissioned in 2001 after serving the nation for about three decades.

### ➤ **About Vagir**

- INS Vagir is the fifth submarine of the first batch of six Kalvari-class submarines for the Indian Navy.
- It is a diesel-electric attack submarine based on the Scorpène class, designed by French naval defence and manufactured by Mazagon Dock Limited, an Indian shipyard in Mumbai, Maharashtra.
- It is named after the Sand Fish of the Indian Ocean.
- It is designed to operate in all theatres of operation.
- It can launch attacks with both torpedoes and tube launched anti-ship missiles, whilst underwater or on surface.

### ➤ **Kalvari class Submarine**

- The Kalvari class is a class of diesel-electric attack submarines based on the Scorpène-class submarine being built for the Indian Navy.
- The class and submarines take their names from the first submarines inducted in the Indian Navy.
- The Kalvari class is capable of offensive operations across the entire spectrum of naval warfare including:

- ✓ anti-surface warfare,
- ✓ anti-submarine warfare,
- ✓ intelligence gathering,
- ✓ mine laying and
- ✓ area surveillance

## 3. **New plateau type discovered from Maharashtra**

### ➤ **Context: A rare low-altitude basalt plateau housing 76 species of plants and shrubs from 24 different families discovered in Thane region in the Western Ghats.**

- Western Ghats is among the four global biodiversity hotspots in India, can prove to be a repository of information for species interactions.
- It can help study effects of climate change on species survival and increase awareness of the conservation needs of rock outcrops and their immense biodiversity value in the global context.
- Plateaus are dominant landscapes in the Western Ghats, significant because of the predominance of endemic species.
- They are classified as a type of rock outcrop and provides unique and challenging environment for species to adapt to.
- A team recently discovered a rare low-altitude basalt plateau in Thane district.
- This is the fourth type of plateau to be identified in the region, the previous three are:
  - ✓ laterites at high and low altitudes and
  - ✓ basalt at high altitudes.
- The plateau shares the vegetation with the three other rock outcrops, simultaneously holding a few unique species.

## 4. **Ken-Betwa Link Project**

### ➤ **CONTEXT: The Third Meeting of the Steering Committee of the Ken-Betwa Link Project (SC-KBLP) was held.**

### ➤ **About**

- Background: On 22nd March 2021, a historic agreement was signed between the Union Minister of Jal Shakti and the Chief Ministers of Madhya Pradesh and Uttar Pradesh to implement the first major centrally driven river interlinking project in the country.
- Overview: Ken-Betwa Link Project is the first project under the National Perspective Plan for the interlinking of rivers. It aims to transfer surplus water from the Ken river in Madhya Pradesh to Betwa in Uttar Pradesh to irrigate the drought-prone Bundelkhand region. Both Ken and Betwa are the tributaries of the Yamuna.
- The project will provide annual irrigation of 10.62 lakh ha, drinking water supply to a population of about 62 lakhs, and also generate 103 MW of hydropower and 27 MW of solar power.
- Benefits: The Project will be of immense benefit to the water-starved Bundelkhand region, spread across the states of MP and UP.
  - ✓ It is expected to boost socio-economic prosperity in the backward Bundelkhand region on account of increased agricultural activities and employment generation.
  - ✓ It would also help in arresting distress migration from this region.
- Concerns: The construction of large dams for the interlinking of rivers to solve the irrigation and drinking water problems has created potential threats to faunal as well as floral diversity.

#### 5. Kewda oil

➤ **CONTEXT: Families in the coastal pockets of Odisha's Ganjam district have been eking out a living by preparing aromatic kewda oil for years, and a recent growth in demand has put a smile on their faces.**

- Ganjam kewda (*Pandanus fascicularis*) oil is steam-distilled from the flower of the aromatic screw pine plant.
- It is used as an aromatic in the food industry and other sectors.
- It is registered under the Geographical Indications of Goods (Registration and Protection) Act, 1999 by the Government of India.
- About Kewra:
  - Kewra is an essential oil distilled from the male flower of the fragrant screw pine.
  - The plant is native to Tropical Asia, Southeast Asia and Australasia.
  - Approximately 95% of kewra flowers exported from India are collected from areas surrounding Berhampur city in Ganjam district.
  - Kewra is also used in traditional Indian perfumery, both as functional fragrance and in ittar.
- Kewra Oil
  - The Kewra oil also known as *Pandanus odoratissimus* comes to be hydro-distilled from the flower part of the plant.
  - Kewra oil is basically extracted out of the flowers of the kewra plant through the steam distillation process.
- Uses:
  - It is widely used in the aromatherapy treatments to calm down the body
  - It is used as an active ingredient in various recipes. It gives a nice fragrance to the food and adds a unique flavor to the dishes. It makes the dish more relishing and delicious.
  - It is extensively used as an antibacterial and an antiseptic.
  - Since this oil has stimulant and antispasmodic properties, it is applied on the rheumatoid pains to get instant relief
  - Leaves are used as a spice in South East Asia to flavor curries and desserts.
  - In traditional medicine these leaves have been used to treat chest pains, reduce fevers, and inflammation from arthritis.
  - Chewing the leaf helps oral health and stops bleeding gums.
  - It is thought that they might have anti-cancer properties too and trials are being carried out to see if they are effective against cancer.
  - The leaves contain a natural insecticide which has been effective in killing mosquitoes.

### ANSWER WRITTING

**Q. "Religion is a personal matter which should have no place in politics". Elaborate**

Introduction:

Sociologist Emile Durkheim defined religion as a unified system of beliefs and practices relative to sacred things, while Max Weber defines politics as the activity of striving to share power or striving to influence the distribution of power, either among states or among groups within a state.

**Body**

The resurgence of religion, as well as politics, has become key to world affairs. Initially few sociologists like Max Weber believed that modernity would eventually lead to a general decline of religious faith and the role of religion in the public/political sphere. However, the word 'twin tolerations' has been used often to define the relationship between religion and politics. Modern states brought the concept of secularism to avoid the influence of religion in politics. Arguments in favor of the separation of politics and religion are as follows:

- The idea of religion concerns the private sphere what pertains to individual faith and believe, in contrast politics in the public sphere pertains to a wider community e.g. nation at large.
- The intrusion of religion into politics can monopolize some specific ideology which in turn will cause a rift in the society. E.g. the foundation of partition was laid on the name of religion itself.
- Religious ideologies when perpetuates deeper into the political sphere may turn into mass hysteria leading to the indoctrination of the people. For e.g. Anti-Semitism of Nazi in Germany prior to the second world war for Jews
- In politics it promotes vote bank politics on the name of religion and diminishes the ideals of secularism.
- Intermixing of religion with politics may promote favoritism for a particular community.

**Conclusion**

Religion in politics needs to be value-oriented not power-oriented as we can learn from the legacy of Ashoka policy of Dharma and Akbar's Din-e-Ilahi. Further, In India secularism was defined in a comprehensive manner which meant the separation of religion from politics and the state, the treatment of religion as a private matter for the individual, state neutrality towards or equal respect for all religions, absence of discrimination between followers of different religions, and active opposition to communalism.

**MCQs**

1. With reference to the India- UAE trade relations, consider the following statements:
  1. India's non-oil exports to the UAE have grown in recent time.
  2. The CEPA is expected to increase the bilateral trade between the two countries from the present level of USD 60 Bn to USD 100 Bn in the next five years
  3. This trade deal comes with no strict rules of origin conditions.

Which of the statements given above is/are correct?

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

2. Which of the following statements with respect to Ken- Betwa river Interlink project, is/are correct?
  1. This is the country's first river interlinking project.
  2. The project aims to transfer surplus water from the Betwa in UP to Ken river in MP.

Select the correct answer using the codes given below.

- a) **1 only**
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

3. Recently a rare low-altitude basalt plateau discovered in which of the following state?

- a) Odisha
- b) Jharkhand
- c) Madhya Pradesh
- d) **Maharashtra**

4. With reference to the Kalvari-class submarines, consider the following statements

1. These submarines have capability of operating in a wide range of Naval combat including anti-warship and anti-submarine operations, intelligence gathering and surveillance and naval mine laying.
2. Recently Indian Navy's first Kalvari-class Diesel Electric attack submarine INS Vagir was launched.

Select the correct statement.

- a) **1 only**

- b) 2 only  
c) Both 1 and 2  
d) Neither 1 nor 2
5. Consider the following statements about the “Atal Bhujal Yojna”
1. This project is being supported by World Bank in the form of loan assistance
  2. It aims to promote groundwater recharge with help of people at the local level
- Which of the above statements is/are correct?
- a) 1 only  
b) 2 only  
c) **Both 1 and 2**  
d) Neither 1 nor 2
6. The 'FAME Scheme of Government of India is related to which of the following?
- a) **To promote the electric vehicle**  
b) To promote generation of green energy  
c) Promoting research and development in aerospace sector  
d) Encoring the MSMEs sectors
7. 'First Movers Coalition' seen in news recently is concerned with which of the following?
- a) Exploring rare minerals  
b) Global supply chain resilience  
c) Electric vehicle adoption  
d) **Decarbonizing heavy industries**
8. With reference to National Disaster Response Fund (NDRF), consider following statements
1. It is not used for providing compensation for crop loss.
  2. It is not used for measures to mitigate the risk or impact of disasters
  3. The fund is in the “Public Accounts” of the GOI under the “reserve funds not bearing interest”.
- Select the correct statement.
- a) 1 and 2 only  
b) 2 and 3 only  
c) 1 and 3 only  
d) **1,2 and 3**
9. With reference to PM SVANidhi scheme, consider the following statements:
1. It was launched by the Ministry of Housing and Urban Affairs
  2. National Bank for Agriculture and Rural Development (NABARD) is the implementation agency.
- Which of the statements given above is/are correct?
- a) **1 only**  
b) 2 only  
c) Both 1 and 2  
d) Neither 1 nor 2
10. Which of the following is/are correct about PRASAD scheme?
1. It focuses on developing and identifying pilgrimage sites, in order to enhance the religious tourism experience in India.
  2. It was launched by Ministry of culture.
- Choose the correct answer using the codes given below?
- a) **1 only**  
b) 2 only  
c) Both 1 and 2  
d) Neither 1 nor 2