

ECONOMY

CONTEXT: Global Tax Evasion Report 2024, Inclusive growth and issues arising from it.

Why in news?

- The 'Global Tax Evasion Report 2024', which was recently released by the European Union Tax Observatory, highlights a number of important issues pertaining to tax evasion, the Global Minimum Tax (GMT) on billionaires, and countermeasures.
- The report examines the results of global reforms implemented over the previous ten years, among other things, it examines the international agreement on a global minimum tax for MNCs and the automatic international exchange of bank information.

What is Tax Evasion?

- Tax evasion is the unlawful practice of failing to pay taxes due to the government, by under reporting income, inflating deductions, concealing assets in foreign accounts, or using other dishonest strategies to lower one's tax liability.
- It is an intentional and illegal attempt to distort or withhold financial information in order to lower tax obligations.

➤ **What International Reforms Are in Place to Stop Tax Evasion?**

➤ **Global Minimum Tax (GMT):**

- Under a GMT, a specified corporate income base is subject to a standard minimum tax rate across the globe.
- The Organization for Economic Cooperation and Development (OECD) created a proposal that calls for imposing a 15% corporate minimum tax on the overseas profits of big multinational corporations. This would bring in an additional \$150 billion in tax revenue for the countries each year.
- In an effort to make it more difficult for MNCs to evade taxes, 136 nations, including India, agreed to impose a minimum global tax rate of 15% on them in October 2021.
- By lowering tax rates that lead to corporate profit shifting and tax base erosion, the GMT framework seeks to prevent countries from engaging in tax competition.
- Automatic Information Exchange: In an effort to combat wealthy individuals' offshore tax evasion, the information exchange automatically was implemented in 2017.

Which aspects of the report stand out the most?

➤ **Obstacles in Stopping Offshore Tax Evasion:**

- Over the previous ten years, there has been a decline in offshore tax evasion. Just 25% of the world's wealth is now untaxed, compared to 10% in 2013 when it was held in international tax havens.
- There are still issues, such as offshore financial institutions' noncompliance and restrictions on the automatic exchange of bank information.

➤ **Tax Rates that is equivalent to 0%:**

- Because shell companies are often used to avoid paying income taxes, the effective tax rates on the wealth of billionaires' worldwide range from 0% to 0.5%.
- French billionaires pay no taxes at all, while US billionaires pay 0.5% of their wealth in taxes.

➤ **MNCs' Profit Shifting:**

- In 2022, multinational corporations (MNCs) transferred approximately USD 1 trillion, or 35% of their profits made outside of their home countries, to tax havens.
- The research exposed the practice of "Green washing the Global Minimum Tax," in which multinational corporations (MNCs) can lower their tax rates significantly below the 15% minimum by utilizing "green" tax credits for low-carbon transitions.

➤ **The Significance of Policy Decisions**

- Wealth concealment, profit shifting to tax havens, and tax evasion are not inevitable outcomes; rather, they are the product of decisions made about policy or the failure to make important decisions.
- In order to create sustainable tax systems, it is necessary to assess the effects of tax policies and make improvements.

➤ **Suggested Actions:**

- The report suggests a global minimum tax rate of 2% of billionaires' wealth as a means of encouraging action. Put in place systems to tax affluent individuals who decide to relocate to a low-tax nation after being long-term residents of a given nation.

- Governments around the world view this as a crucial step toward raising revenue, addressing wealth inequality, and financing infrastructure, healthcare, and education.
- Change the international minimum corporation tax agreement to a 25% rate and eliminate any loopholes that encourage tax competition.
- In the event that international agreements on these matters fall through, take unilateral action to recover a portion of the tax deficits owed by billionaires and multinational corporations.
- Make progress toward establishing a Global Asset Registry to more effectively combat tax evasion.
- Strengthening the implementation of anti-abuse and economic substance regulations.
- **What distinguishes wealth taxes from income taxes?**
- While income taxes are levied on the flow from the wealth stock, wealth taxes are assessed on the wealth stock, or the total amount of net wealth that a taxpayer owns.
- Illustration of a wealth tax One-time or infrequently assessed wealth taxes include inheritance, gift, and estate taxes.
- **Which government initiatives are in place to stop tax evasion?**
- Online Billing
- Act of 2018 Concerning Fugitive Economic Offenders
- The Prevention of Money Laundering Act, 2002;
- Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

Conclusion: These initiatives represent a global effort to address tax evasion and promote greater transparency in International Financial transactions. However, the effectiveness of these reforms depends on the willingness of the countries to enforce them and collaborate with one another. Tax evasion remains a complex issue and new challenges continue to emerge as tax laws and practices evolve.

DISASTER MANAGEMENT

Context: Interconnected disaster risk report 2023 Its major findings and its major drivers

Why in News?

The Interconnected Disaster Risks Report 2023, which was just released, has brought attention to how interdependent the world is, warning of approaching tipping points and emphasising the urgent need for action to avert potentially disastrous outcomes.

What are the Interconnected Disaster Risks Report 2023's Principal Findings?

About: The United Nations University's Institute for Environment and Human Security (UNU-EHS) publishes the UN Interconnected Disaster Risks Report every year, which is a science-based report that was initially published in 2021.

- The paper examines a number of specific instances of disasters that occur each year and explores the connections between them and human behaviour.
- The paper provides examples of how seemingly stable systems can progressively fail until a critical point is reached, which can have disastrous outcomes
- It presents the idea of "risk tipping points," or the points at which socio-ecological systems are more vulnerable to catastrophic effects and can no longer withstand hazards.
- The academic branch of the UN, known as the United Nations University (UNU), serves as a global think tank. The Institute for Environment and Human Security (UNU-EHS) is dedicated to doing state-of-the-art research on adaptation and risks associated with environmental hazards and global change. The German city of Bonn is home to the institute.
- Tipping Points: According to the paper, six environmental tipping points are about to occur globally.
- **Depletion of Groundwater:**
- Over 2 billion people depend on the groundwater stored in aquifers, of which 70% is used for agriculture.
- Nevertheless, the depletion of 21 main aquifers worldwide is outpacing their replenishment. Since aquifer water is practically non-renewable, it frequently took thousands of years to collect.
- In certain places, such as Saudi Arabia, over-extraction has led to the depletion of over 80% of the aquifer. Food security is hampered by this forced reliance on imported crops.
- By 2025, the entire northwest region of India is predicted to have extremely restricted groundwater availability, with some sections of the Indo-Gangetic basin having already passed the critical point of groundwater depletion.

➤ **Accelerating Species Extinction:**

- Climate change, overexploitation, and changes in land use are some of the human-caused factors that have accelerated the extinction of species.
- Because of human involvement, extinction rates today are hundreds of times higher than they used to be. Ecosystem collapse may result from extinction as a catalyst for a series of events.

➤ **Melting Mountain Glaciers:**

- Although glaciers are essential sources of water, global warming is causing them to melt twice as quickly.
- The glaciers lost 267 gigatons of ice annually between 2000 and 2019.
- Even with modest warming, it is predicted that by 2100, we will have lost about 50% of our glaciers.
- More than 90,000 glaciers in the Hindu Kush, Karakoram, and Himalayan regions are in danger, endangering the lives of around 870 million people who depend on them.

➤ **Space Debris:**

- Although satellites are essential for safety, communication, and weather monitoring, an increasing number of satellites in orbit is creating a space debris issue.
- There are just 25% of objects in orbit that are functioning satellites; the remainder are inoperable junk.
- There are roughly 130 million tiny fragments of untrackable trash.
- These fast-moving objects create a dangerous orbital environment by endangering operating satellites through collisions.

➤ **Unbearable Heat:**

- Deadly heat waves are becoming increasingly often due to climate change. Humidity and high temperatures hinder the body's ability to cool down.
- The "wet-bulb temperature" can cause brain damage and organ failure if it stays above 35°C for more than six hours. This has already happened in Pakistani cities like Jacobabad.
- Additionally, wet-bulb temperatures in India during a heat wave in 2023 exceeded 34°C.
- By 2100, more than 70% of the world's population is predicted to be impacted.

➤ **Uninsurable Future:**

- Since the 1970s, the frequency of extreme weather events has caused damages to increase sevenfold, with an estimated USD 313 billion in losses by 2022.
- Climate change is driving up insurance premiums, making coverage unaffordable for many.
- High-risk locations are losing some insurance, which makes them "uninsurable."
- For instance, Australia's heightened flood risk might render roughly 520,940 properties uninsurable by 2030.

➤ **Interconnectedness:**

- Tipping points are frequently caused by climate change, which is fuelled by rising greenhouse gas emissions.
- This covers things like melting glaciers, severe weather, and changes in the insurance risk environment.
- These interrelated environmental problems have the potential to set off feedback loops that increase the demand for disaster insurance, exacerbate coastal floods, and raise sea levels due to glacier melt.
- These tipping moments ultimately have important socio economic ramifications.

What are the Primary Causes of Rising Disaster Risks?

➤ **Urbanization:**

- Rapid urbanization occurs frequently in the absence of sufficient planning and infrastructure development.
- More people and property are exposed to dangers such as floods and earthquakes as cities grow, increasing catastrophe susceptibility.

➤ **Environmental Degradation:**

- Deforestation, soil erosion, and pollution degrade natural ecosystems' potential to act as disaster buffers. The effects of hazards are exacerbated by environmental degradation.

➤ **Inadequate and Inefficient Infrastructure:**

- During disasters, inadequately built or maintained infrastructure, such as bridges, buildings, and roads, can collapse, resulting in major economic and social losses.
- **Inadequate Land Use Planning:**
- Poor land use planning can lead to communities settling in high-risk areas such as floodplains or wildfire-prone zones. This relates to increased vulnerability to calamities.
- **Water Management Issues:**
- Poor water resource management can result in droughts, scarcity, and flooding.
- These challenges have the potential to have far-reaching implications for food security, economies, and communities.
- **Worldwide Interconnectedness:**
- As the world becomes more connected, upheavals in one place can have worldwide consequences.
- This connection has the potential to spread the economic and social consequences of disasters.
- **What solutions does the report recommend to mitigate disaster risk?**
- The UN Interconnected Disaster Risks Report 2023 employs a four-category structure to classify and prioritize disaster risk mitigation measures.
- **Avoid-Delay:** These are actions that seek to slow down disasters utilizing present approaches. For example, strong construction codes and land-use regulations can help to avert catastrophic disaster damage.
- **Avoid-Transform:** These efforts aim to prevent disasters by radically altering how things are done.
- Transitioning from fossil fuel-based energy production to renewable energy sources (such as solar and wind) to prevent the hazards connected with climate change is one example.
- **Adapt-Delay:** These efforts prepare us for calamities by providing us with additional time to respond. For example, enhanced early warning systems for tsunamis could provide people time to evacuate and prepare for the calamity.
- **Adapt-Transform:** These steps entail making significant adjustments to how we do things in order to adapt to disasters.
- Implementing coastal zoning rules and rebuilding natural barrier habitats (such as mangroves) are two examples of how to adapt to increasing sea levels and transform coastal protection techniques.
- **What are the Disaster Risk Reduction Initiatives?**
- 2015-2030 Sendai Framework for Disaster Risk Reduction
- CREWS (Climate Risk and Early Warning Systems)
- The 13th of October is International Disaster Risk Reduction Day.
- Sectoral Guide on Climate Information and Early Warning Systems from the Green Climate Fund
- **Initiatives by India:**
- CDRIS stands for Coalition for Disaster Resilient Infrastructure Society.
- NDMP (National Disaster Management Plan)

Conclusion:

Since risks are interconnected so also its most potential solutions therefore the report highlights overall changes we can make to our behaviour and values that would transform the way we use our systems and reduce overall risks these include a shift towards zero waste, a closer connection to nature, global cooperation and trust.

PRELIMS FACTS

1. International Migration Outlook 2023

Context: The Organization for Economic Cooperation and Development (OECD) released the 2023 edition of International Migration Outlook.

Major Highlights

- Permanent migration to OECD nations increased by 26% in 2022 compared to 2021.
- Family migration remained the primary category of entrance for new permanent-type migrants, accounting for 40% of total permanent-type migration.
- Venezuela, Cuba, Afghanistan, and Nicaragua were the main origin countries for asylum seekers in 2022.

- Immigrant mothers experience a disproportionate disadvantage, with a 20 percentage point difference in employment rates between immigrant and native-born mothers. India saw the highest migration flows to OECD countries in 2021 and 2022.
 - In 2020, India replaced China as the primary source of new migrants to OECD countries.
 - In terms of nationalities, 0.13 million Indian people acquired the nationality of an OECD country by 2021.
- In terms of workers, migratory flows from India, Uzbekistan, and Turkey increased dramatically, making them the leading countries of origin after Ukraine.

About Organization for Economic Cooperation and Development

- The OECD is an intergovernmental organization with 38 member countries, the majority of which are rich industrialized nations that attract migrant labours and students.
- It was founded in 1961 to stimulate economic progress and world trade. The Organization for European Economic Co-operation and Development (OECD) was established in 1947 to manage American and Canadian aid under the auspices of the Marshall Plan following World War II.
- The OECD's headquarter is in Paris, France.

2. Lemru Elephant Corridor

Context: The MoEFCC has granted Chhattisgarh's plea to de-notify coalmines located along the Lemru-Elephant Corridor.

About the Lemru Elephant Reserve:

- Lemru is one of two elephant reserves in Chhattisgarh (the other is Badakhhol Tamorpingla) and is part of the HasdeoAranya forests in the Korbad district.
- It is proposed to prevent human-animal conflict in the region by relocating elephants from Odisha and Jharkhand to Chhattisgarh.
- There serve as part of the Elephant Corridor, which connects Lemru (Korba), Badakhhol (Jashpur), and Tamorpingla (Surguja).

Importance of Reserve

- Elephants are found in five divisions of the state.
- North Chattisgarh is home to about 240 elephants.
- Over the last 20 years, more than 150 elephants have died throughout the state.

About Elephant:

- Elephants are the largest land mammals and key stone species on earth.
- Their nomadic behaviour—the daily and seasonal migrations they make through their home ranges—is immensely important to the environment.
- Asian Elephant (*Elephas maximus indicus*):
 - They inhabit dry to wet forest and grassland habitats in 13 range countries spanning South and South East Asia.
 - IUCN Status: 'Endangered' on the IUCN Red List of threatened species.
 - Listed in the Appendix I of the Convention of the Migratory species (CMS).
- African Elephant (*Loxodonta cyclotis*):
 - Two subspecies (the Savanna or bush and the Forest elephant)
 - IUCN Status:
 - ✓ African forest elephant: Critically Endangered
 - ✓ African savanna elephant: Endangered

3. First-ever Data Dashboard on Desertification

Context: United Nations Convention to Combat Desertification (UNCCD) released its first-ever Data Dashboard

It collects national reporting data from 126 nations, demonstrating that land degradation is spreading at an alarming rate across all areas.

Key findings

- Every year between 2015 and 2019, at least 100 million hectares of healthy and productive land were degraded.
- 9.45 percent of India's reported land area is degraded.
- Drought hit 50.49 percent of global reported land area and 36.8 percent of India's land area between 2016 and 2019.

- The most severe degradation occurs in Eastern and Central Asia, as well as Latin America and the Caribbean.
- Land degradation is defined as the deterioration or loss of soil productive capacity in the present and future.
 - For 2030, 109 countries have set voluntary Land Degradation Neutrality (LDN) targets.
 - LDN is a condition in which the quantity and quality of land resources required to support ecosystem activities and services that improve food security remain stable or increase within specified ecosystems.
- India's Initiative for Land Degradation
 - India has signed on to the voluntary Bonn Challenge vow to restore 26 million hectares of damaged and deforested land by 2030.
 - For state-by-state areas of degraded land, consult the Desertification and Land Degradation Atlas of India (issued by ISRO).

UN Convention to Combat Desertification (UNCCD)

- Genesis: Established in 1994.
- About:
 - It is the only legally binding framework set up to address desertification and effects of drought.
 - Members: 197 Parties to Convention, including 196 country Parties and European Union.
 - India is a signatory to UNCCD.
 - Ministry of Environment, Forest and Climate Change is nodal Ministry that oversees implementation of Convention in country.
 - HQ - Bonn, Germany

4. Vienna Convention on Diplomatic Relations (VCDR)

- New Zealand criticized India's demand for 41 Canadian diplomats to leave referring to VCDR.
- The Convention was signed in 1961 and currently has 193 parties to it.
 - India ratified the convention in 1965. Aim: to ensure the 'development of friendly relations among nations'.
- It puts forth a framework for diplomatic interactions between nations.
- Key provisions:
 - It specifies the functions of diplomatic missions.
 - Lists Special rules on immunities and privileges accorded to diplomats and their missions.
 - Guarantees free communication between a mission and its sending State

5. 25 by 25 Target

- According to an analysis by Indian Council of Medical Research, India will likely miss reaching the 25 by 25 target.
- 25 by 25 target was set by World Health Organization (WHO) and United Nations in 2013.
 - It targets a 25% reduction in premature mortality for four Non Communicable Diseases (NCDs) by 2025, compared to 2010.
 - These four major NCDs are Cancer, Cardiovascular Disease (CVD), Chronic Respiratory Diseases (CRD), and Diabetes.
 - Premature mortality for these four NCDs is projected to decrease by 13.9 percent from 2010 to 2025 in India.

6. Nutrient Based Subsidy (NBS)

Context: The Cabinet has approved the Nutrient Based Subsidy (NBS) rates for Phosphatic and Potassic (P&K) fertilisers for the Rabi Season 2023-24.

- The subsidy on P&K fertilisers of Rs. 22,303 crore is valid from October 1, 2023 to March 31, 2024.
- Since April 1, 2010, P&K fertilizer subsidies have been administered by the NBS Scheme, a Central Sector Scheme under the Ministry of Chemicals and Fertilizers.
- Objective
 - To improve agricultural output, foster competition among fertilizer companies, and minimize the burden of subsidies.
- On an annual basis, the Centre offers a predetermined rate of subsidy (in Rs. Per Kg) on nutrients such as nitrogen (N), phosphorus (P), potassium (K), and sulfur (S).
- Additionally, micronutrients such as boron and zinc are subsidized.

- At present, 25 grades of P&K fertilizers and 18 grades of Nitrogen, Phosphate, Potash & Sulphur (NPKS) complex fertilizers are covered under this Scheme. Urea does not come under NBS.

Benefits of NBS

- Restore soil health by addressing nutrient imbalances of NPK and lack of micronutrients through use of fertilisers on specific soil moisture conditions and crop needs.
- Improve growth of indigenous fertilizer industry.

Rabi crops

- Rabi crops are sown in winter and harvested in spring.
- Some popular Rabi crops include Wheat, Barley, Mustard, Cabbage, Cumin, Linseed, Sunflower, etc.

ANSWER WRITING

Q. Examine how the ongoing Israel- Hamas war affects India's Economy, Energy security and Foreign Policy?

Introduction

The prolonged confrontation between Israel and Hamas has major repercussions for India's economy, energy security, and foreign policy.

India maintains close ties with both Israel and Palestine, as well as other countries in the region like Saudi Arabia, Iran, and Turkey.

Oil imports account for 80% of India's overall consumption; to meet this need, India is primarily reliant on the Middle East for oil supplies.

Some of the likely consequences of the conflict for India include:

- **Commercial Relations:** If the crisis escalates, it could have an impact on India's commerce with Israel, particularly in vital areas such as defence equipment.
- Israel is a major provider of defence technology to India, and any disruption in this trading connection could have an impact on the country's defence preparedness.
- **Diplomatic Difficulties:** India has generally pursued a balanced foreign policy towards Israel and Arab countries. If the crisis intensifies and other Arab countries join in, India may face diplomatic difficulties. Balancing connections with Israel while having good relations with Arab countries may become more difficult.
- **Economic and Strategic Ties with the Middle East:** India's economic and strategic ties with the Middle East have grown in importance, especially in light of efforts such as the India-Middle East-Europe economic corridor. If the conflict escalates and involves other regional entities such as Hezbollah and Iran, it has the potential to destabilize the West Asian area.
- **Energy Availability:** The West Asian region is an important source of energy imports for India. Any interruption in the region's stability could have an influence on India's energy supply, resulting in economic issues.
- **Indian Expatriate Welfare:** India has a sizable expatriate community working in various Middle Eastern nations. If the dispute escalates, the welfare and safety of these Indian people may be jeopardized, and India will be forced to intervene to ensure its protection.

India's foreign policy should take into account a variety of issues and interests. However, here are some suggestions:

- **Maintain the two-state solution:** As in the past, India should support the two-state solution for Israel and Palestine, in accordance with UN resolutions and international law.
- **Continue strategic partnership:** India should maintain its strategic collaboration with Israel in defence, counter-terrorism, and technology in order to strengthen security, development, and relations with nations such as the United States, Saudi Arabia, and the United Arab Emirates.
- **Use diplomatic influence:** India can use its diplomatic influence to promote peace, dialogue, and humanitarian help in Gaza, Israel, and its Diaspora.
- **Partnership with other stakeholders:** To handle the issue, India should seek partnerships with Egypt, Jordan, Turkey, Russia, China, and the EU, as well as leverage its UN Security Council position and Non Aligned Movement leadership to promote West Asian peace.

Conclusion:

It is in India's best interests to have the war resolved peacefully and the region restored to stability. India should utilise its diplomatic clout and goodwill to encourage both parties to display moderation and re-engage in discussion. India should also work with other regional and international entities to coordinate humanitarian aid and prevent additional violence.

MCQs

1. Consider the following statements about International Migration Outlook 2023
 1. The 'International Migration Outlook 2023' was released by the International Organization for Migration.
 2. India saw the highest migration flows to Organisation for Economic Co-operation and Development (OECD) countries in 2021 and 2022.
 Choose the correct statements:
 - a) 1 only
 - b) 2 only**
 - c) Both 1 and 2
 - d) Neither 1 nor 2
2. Long Valley Caldera, recently seen in news is located in which of the following country?
 - a) Iceland
 - b) United States of America**
 - c) Vietnam
 - d) Japan
3. Consider the following statements regarding Tardigrades.
 1. Tardigrades are tiny eight-legged animals.
 2. They cannot survive in extreme conditions or harsh environments.
 3. They are found only in aquatic environments.
 How many of the above statements is/are correct?
 - a) Only one**
 - b) Only two
 - c) All three
 - d) None
4. Agumbe Rainforest Complex (ARC), known for its high rainfall is located in
 - a) Tamilnadu
 - b) Andaman and Nicobar Islands
 - c) Karnataka**
 - d) Kerala
5. Consider the following statements regarding Pink diamonds.
 1. Pink diamonds were formed as a result of the breakup of Earth's first supercontinent, Vaalbara, through intense geological forces from colliding tectonic plates that caused their crystal lattices to twist and bend.
 2. Pink diamonds get their distinct colour due to impurities like nitrogen or boron in the crystal lattice of the diamond.
 3. The Argyle diamond mine in Western Australia was one of the primary sources of pink diamonds.
 How many of the above statements is/are correct?
 - a) Only one
 - b) Only two**
 - c) All three
 - d) None
6. Consider the following statements regarding Insurance Regulatory and Development Authority of India (IRDAI).
 1. Insurance Regulatory and Development Authority of India is a statutory body.
 2. It is under the jurisdiction of RBI.
3. It is tasked with licensing the insurance and re-insurance industries in India. How many of the above statements is/are correct?
 - a) Only one
 - b) Only two**
 - c) All three
 - d) None
7. Consider the following statements regarding Historical Background of Women's Reservation.
 1. The Government of India Act of 1935 provided reservation for women in the legislature.
 2. The issue of women's reservation was discussed in the Constituent Assembly debates.
 3. The 73rd and 74th amendments to the Constitution mandated all State governments to reserve one-third of the seats for women in local bodies.
 How many of the above statements is/are correct?
 - a) Only one
 - b) Only two**
 - c) All three
 - d) None
8. Consider the following statements regarding International Criminal Court (ICC).
 1. It is commonly referred to as World Court.
 2. It is the court of last resort for prosecution of genocide and crimes against humanity.
 3. It does not have the capacity to arrest suspects of war crimes.
 How many of the above statements is/are correct?
 - a) Only one
 - b) Only two**
 - c) All three
 - d) None
9. It is located on the southern bank of the river Brahmaputra in Assam. It was declared a reserve forest in 1971 and a wildlife sanctuary in 1987. It is home to the highest population density of the Indian One-Horned Rhinoceros species. It is dominated by alluvial lowlands and marshland. The Brahmaputra River offers a natural boundary to this sanctuary on the north, while the Garanga Beel offers a natural boundary to its south. Which of the following Sanctuary suits the above description?
 - a) Nambor Wildlife Sanctuary
 - b) Chakrashila Wildlife Sanctuary
 - c) Pabitora Wildlife Sanctuary**
 - d) Garampani Wildlife Santuary
10. Consider the following statements about Civil Union
 1. Civil Union is similar to a marriage like legal sanction given to two individuals of same sex.
 2. Civil Union resembles a marriage and brings with it employment, inheritance, property and parental rights.
 Choose the correct statements:
 - a) 1 only
 - b) 2 only
 - c) Both 1 and 2**
 - d) Neither 1 nor 2