DAILY CURRENT AFFAIRS 14-05-2024

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Stabilizing India-Nepal ties in changing times

Syllabus: GS-2: Indian – Nepal Bilateral relations.

Context:

Recently, The Hindu published an article on India-Nepal Relations.

Background:

Nepal is experiencing **restlessness, dissatisfaction, and uncertainty** *due to political and economic issues.*

The country's **transition to a stable democracy** *with strong political institutions is ongoing and unclear.*

There are many questions about Nepal's political decisions:

Was it too soon for Nepal to become a secular federal democratic republic?

Should Nepal return to its Hindu identity instead of the secular one?

Should the monarchy be restored to help maintain democracy?

Is a federal system causing disunity in Nepal?

How can Nepal deal with corruption and mismanagement, especially after COVID-19?

The new government in India will focus on its foreign policy, including relations with China and Nepal.

Due to recent developments, Nepal will likely receive significant attention from India.

Changes under China's shadow:

Nepal's political scene has changed, with a new coalition led by **Maoist leader Prachanda and K.P. Sharma Oli, who is seen as pro-China.**

China welcomed this new alliance, *which they have supported for a long time.*

Nepal's Foreign Minister visited China first, signaling closer ties, and revived cooperation on **China's Belt and Road Initiative despite warnings**.

China aims to expand its influence in Nepal, **reducing India's influence.**

There's a rise in far-left and far-right forces in Nepal, *both of which are pro-China and anti-India.*

Political instability in Nepal *could lead to problems for India, like smuggling and terrorism, similar to past issues.*

During King Birendra's rule, **political instability** *and frequent government changes allowed Maoist insurgency and* **cross-border smuggling to grow**.

India's stable relationship with Nepal *then helped control these issues, with cooperation between their intelligence agencies.*

Now, **China is more actively working against India in Nepal**, *possibly supporting anti-India activities.*

India has international allies *(Quad, Indo-Pacific groupings) watching China's moves, but their support might not be enough if tensions escalate in Nepal.*

India's stand

India is **staying out of Nepal's internal affairs**, *avoiding controversy.*

Some in Nepal and India might want India to give advice on:

Whether Nepal should become a **Hindu nation again.**
Whether the **monarchy should be restored** *due to frustrations with democracy.*
India needs to be careful with its opinions, *as they can be over-interpreted in Nepal.*
It's up to the Nepalese to decide on these issues.
India could offer a **new development plan** *to improve life in Nepal and reduce reliance on Chinese projects.*
This plan could focus on **health, education, nutrition**, *child development, gender equality, and jobs.*
High-level attention from India could boost **optimism and investment** *in Nepal.*
India should promote **cooperation and equality** *between the two countries.*
Diplomatic style and approach *are important in maintaining good relations.*
India's new government has a lot of work to do in managing the **relationship with Nepal.**

Chabahar port

Syllabus: GS-2: International Relations – India-Iran.

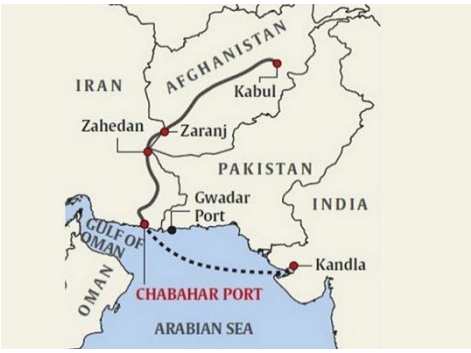
Context:

India and Iran signed a **10-year contract on Monday** *for the operation of a terminal at the strategically important Chabahar port in Iran.*
This move is part of **India's strategy to improve connections** *with Afghanistan, Central Asia, and Eurasia.*

About Chabahar Port:

Location:

Chabahar Port is a seaport in Chabahar, Iran, **on the Gulf of Oman**.
It is Iran's closest and best access point to the Indian Ocean.



Strategic Importance for India:

The port helps India connect with **Afghanistan and Central Asia** *without going through Pakistan.*

India has invested in expanding and operating the port **under a bilateral agreement with Iran.**

Bypassing Pakistan:

India aims to use **Chabahar Port to bypass Pakistan**, *creating a more direct trade route to Afghanistan and Central Asia.*

Counteracting Influence:

India's utilization of Chabahar is seen as a strategic response to the growing influence of **Pakistan's Gwadar Port and China's Belt and Road Initiative** *(BRI).*

Gwadar Port, **developed by China in Pakistan**, *is part of China's BRI, aiming to enhance its connectivity and influence in the region.*

By accessing Chabahar, India aims to **establish its own strategic foothold** *in the region, reducing dependency on Pakistan and countering Chinese influence.*

Trade and Transport:

The port is important for **boosting trade ties in the region**.

It is a key part of the **International North-South Transport Corridor** *(INSTC), a trade route connecting India, Russia, Iran, and Europe.*

Transition from Annual Renewal to Long-Term Agreement:

The upcoming 10-year agreement will replace the current annual renewal contract.

This shift aims to establish a stable and extended framework for India's operational control at Chabahar.

Enhanced Connectivity:

The long-term agreement highlights the port's vital role in improving connectivity to the Indian Ocean Region.

It also **facilitates landlocked Central Asian countries** *like Kazakhstan and Uzbekistan in reaching Indian markets.*

Significance:

This agreement signifies the growing importance of Chabahar Port as a strategic asset for regional connectivity and trade facilitation.

Geopolitical context surrounding the Chabahar Port agreement:

Heightened Tensions in West Asia:

The agreement comes at a time of **increased tensions in West Asia**, *particularly due to recent conflicts impacting major trade routes.*

This situation highlights the **importance of alternative regional connectivity** *solutions like Chabahar Port, which can provide stable trade routes.*

Regional Connectivity Solutions:

Chabahar Port **serves as one such alternative**, *offering a route unaffected by the tensions in the region.*

It provides a strategic option for countries looking to bypass traditional trade routes and ensure uninterrupted trade flows.

India's Broader Regional Strategy:

India's approval to **manage Myanmar's Sittwe Port** *complements its strategy to assert influence and enhance connectivity in the region.*

Managing Chabahar Port *represents a significant step in India's international port management ventures, contributing to its geopolitical and economic objectives.*

Global Trade and Politics:

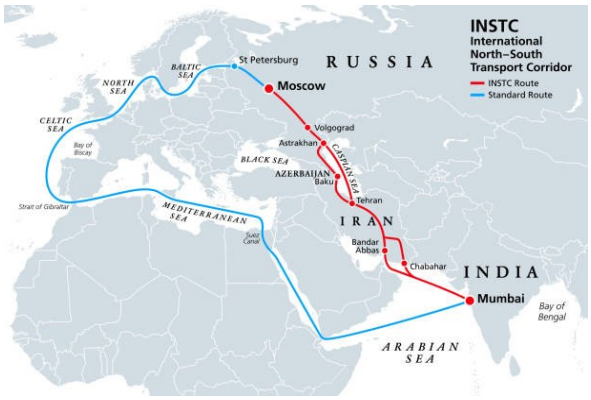
India's strategic management of Chabahar Port not only benefits the region economically but also **strengthens its position in global trade and politics**.

It reinforces **India's role as a key player in shaping regional dynamics** *and ensuring its interests are safeguarded.*

International North-South Transport Corridor (INSTC):

INSTC is a **multi-mode network c***onsisting of ship, rail, and road routes.*

It facilitates the movement of freight between India, Russia, Iran, Europe, and Central Asia.



Establishment:

INSTC was **established in 2000** *through an agreement between India, Russia, and Iran.*
The corridor spans **approximately 7,200 kilometers**.
Its primary objective is to **reduce transit time and costs** *for cargo transportation.*

Route:

INSTC connects the **Indian Ocean and Persian Gulf to the Caspian Sea via Iran.**
From there, it extends to St. Petersburg and Northern Europe.

Cities Connected:

The corridor **enhances trade connectivity** *between major cities such as Mumbai, Moscow, Tehran, Baku, Bandar Abbas, Astrakhan, and Helsinki.*

Notes on the Shahid Beheshti terminal:

Location and Importance:

Shahid Beheshti Terminal *is a crucial terminal located within Chabahar Port in the* **Sistan and Baluchestan province of Iran**.
It has been operational since 2017.
The terminal plays a **significant role in boosting Iran's** *trade connectivity, especially with Afghanistan, Central Asia, and global markets.*

Strategic Significance:

Its strategic significance lies in its **location outside the Persian Gulf**, *thus bypassing the Strait of Hormuz.*
The Strait of Hormuz *is a crucial transit point for global oil shipments, and bypassing it enhances trade security and stability.*

Role in INSTC:

The port, including the **Shahid Beheshti Terminal**, *is pivotal in the International North–South Transport Corridor (INSTC).*

INSTC aims to enhance regional ties and economic development by connecting the Indian Ocean and Persian Gulf to the Caspian Sea and beyond.

Overall Impact:

The Shahid Beheshti Terminal serves as a vital component in Iran's efforts to expand its trade connectivity and strengthen its position in regional and global trade networks.

Practice Question

Q. Analyse the strategic significance of Chabahar Port, considering its role in regional trade connectivity, bypassing the Strait of Hormuz, and its impact on the International North–South Transport Corridor. (10 marks, 150 words)

Non-market economy status

Syllabus: GS-3: Economic Terms an concepts in news.

Context:

- *Vietnam has been pushing the President Joe Biden administration to quickly change its "***non-market economy" classification to "market economy***", in a bid to avoid high taxes imposed by the US on the goods imported from the Southeastern country.*

Background:

- *Vietnam is a significant trading partner of the US.*
- *Vietnam's trade relationship with the US helps counter China's influence in the region.*
- *Despite this, Vietnam remains on the US list of non-market economies for over 20 years.*
- *The list includes 12 countries, including Russia, China, and some former Soviet Union countries.*
- *Being labeled a non-market economy can have economic and political implications for Vietnam's trade relations with the US.*

What are non-market economies?

- *Non-market economies are* **countries designated by the US based on various criteria**.
- *Criteria include the* **convertibility of the country's currency, wage determination**, *allowance of foreign investment, state ownership of production means, state control over resource allocation, and pricing and output decisions.*
- *Other factors like* **human rights** *may also be considered.*
- *The label allows the* **US to impose anti-dumping dut***ies on imports from these countries.*
- *Dumping occurs* **when export prices are intentionally set below** *domestic prices, harming importing country industries.*
- **Anti-dumping duties compensate** *for the price difference between imported goods and their normal value.*
- **The US determines anti-dumping duties** *by comparing the product's value in a third country, like Bangladesh, which is considered a market economy.*
- *The US assumes the production cost of goods from non-market economies based on this comparison, disregarding the company's own cost data.*

Why does Vietnam want to get the 'market economy' status?

- *Vietnam wants to* **obtain the "market economy" status** *to improve its trade relations with the US.*
- *Recent* **economic reforms in Vietnam** *make it eligible for this status.*
- **Vietnam allows foreign investment**, *has free wage negotiations, and most means of production are not state-owned.*
- *Gaining market economy status* **would eliminate anti-dumping duties** *imposed by the US.*
- *This would* **enhance the competitiveness** *of Vietnamese products in the US market.*
- *Vietnam argues that the current method of calculating anti-dumping duties is flawed and unfairly affects Vietnamese companies.*

What are the challenges?

- *Opposition from US steelmakers and the* **American Shrimp Processors Association** *to Vietnam gaining market economy status.*
- *Concerns raised about* **Vietnam's restrictions on land ownershi***p, weak labor laws, and lower shrimp duties potentially harming US industries.*
- *Opposition anticipated in Congress due to concerns that the* **change would benefit Chinese state firms investing in Vietnam,** *allowing them to bypass US tariffs.*
- *Eight US senators and 31 House members express concerns about the potential impact on US industries.*
- *The* **US Commerce Department** *is currently reviewing Vietnam's status, with the process expected to conclude by late July.*

Cheetahs from Kenya

Syllabus: GS-3: Wildlife conservation – Project Cheetah.

Context:

India to host delegation from Kenya, discuss cheetah sourcing.

More about news:

India-Kenya Collaboration*: India is planning to collaborate with Kenya on sourcing cheetahs.*

Project Cheetah: *India's initiative to reintroduce cheetahs involves sourcing them from Kenya.*

Gandhi Sagar Wildlife Sanctuary*: Chosen as the second site for cheetah reintroduction in India.*

Assessment Visit:

The Kenyan delegation may assess preparations by the Madhya Pradesh Forest department at **Gandhi Sagar sanctuary***.*

A recent visit by a **team from South Africa** *also occurred, considering sourcing cheetahs from there for Gandhi Sagar.*

Current Cheetah Population:

In Kuno National Park, there are currently 27 cheetahs – 13 adults and 14 cubs.
However, 10 cheetahs have died due to illnesses and infections.

Reason for Considering Kenya:

India is considering Kenya as a source due to deaths caused by infections among cheetahs in Kuno National Park.

Project Cheetah:

Introduction:

- *Project Cheetah is an initiative by the Government of India aimed at reintroducing the cheetah, the fastest land animal, into the Indian subcontinent after its extinction in the country nearly seven decades ago.*

Objective:

- *The* **primary objective of Project Cheetah** *is to restore the cheetah population in India and revive its ecological role.*
- *It* **aims to increase biodiversity**, *restore grassland ecosystems, and promote ecotourism.*

Historical Background:

- *Cheetahs, once native to India, became extinct in the country around the mid-20th century due to habitat loss, hunting, and human-wildlife conflicts.*

Site Selection:

- *The first site selected for cheetah reintroduction was the* **Kuno National Park in Madhya Pradesh.**
- *Subsequently, the* **Gandhi Sagar Wildlife Sanctuary**, *also located in Madhya Pradesh, was chosen as the second site for cheetah reintroduction.*

Collaborations:

- *Already India translocated cheetahs from* **Namibia to Kuno National Park** *in Madhya Pradesh.*
- *India has expressed interest in collaborating with countries like* **Kenya and South Africa for sourcing cheetahs.**

Challenges and Concerns:

1. *The deaths of cheetahs in* **Kuno National Park** *due to illnesses and infections highlight the challenges associated with reintroduction efforts.*
2. *India is considering sourcing cheetahs from Kenya* **partly due to concerns about infections affecting** *the existing cheetah population in Kuno.*

Long-term Plan:

Project Cheetah *envisages the introduction of 8 to 14 cheetahs annually for five years, subject to availability.*

The success of the project relies on sustained conservation efforts, habitat restoration, and community engagement.

Gandhi Sagar Wildlife Sanctuary:

Situated in northwestern Madhya Pradesh, bordering Rajasthan.

Notified as a sanctuary in 1974.

Landscape:Vast open landscapes with sparse vegetation and rocky terrain.Small patches of dense forests.

River:River Chambal flows through, dividing it into two parts.

Vegetation:

Northern tropical dry deciduous forest.
Northern tropical dry mixed deciduous forest.
Dry deciduous scrub.

Flora:*Principal tree species include Khair, Salai, Kardhai, Dhawda, Tendu, and Palash.*

Fauna:

Herbivores: Chinkara, Nilgai, Spotted Deer.
Carnivores: Indian Leopard, Striped Hyena, Jackal.
Population of crocodiles, fish, otters, and turtles.

Historical, Archeological, and Religious Sites:

Chaurasigarh.
Chaturbhujnath temple.
Bhadkaji rock paintings.
NarsinghjharHinglajgarh fort.
Taxakeshwar temple.

Mammoth (World's largest Direct Air Capture and Storage (DAC+S) plant)

Syllabus: GS-3: Climate Change – Mitigation strategies.

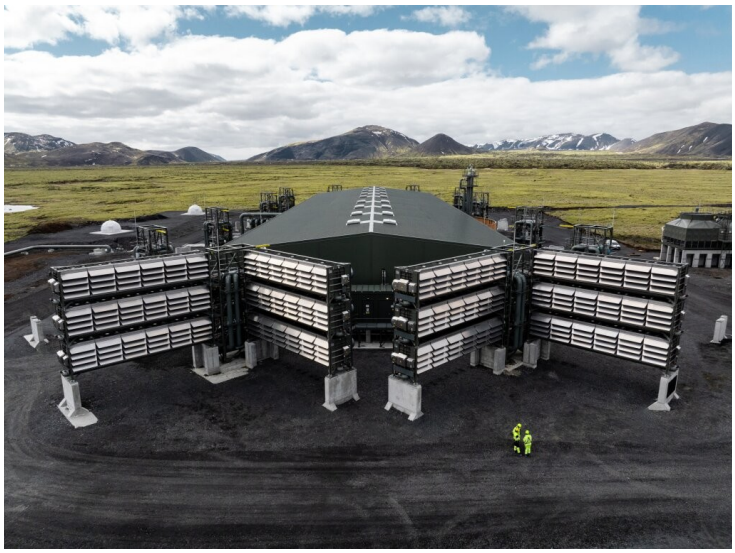
Context:

- *Climeworks starts operations of its to-date largest* **direct air capture and storage** *(DAC+S) plant, Mammoth, in Iceland.*
- *It is the* **second commercial DAC+S facility of Climeworks** *and is about ten times bigger than its predecessor plant, Orca.*

More about Mammoth:

- *Mammoth is a* **direct air capture plant** *by Climeworks, started in June 2022.*
- *Expected completion is in 2024.*

- *It aims to* **capture up to 36,000 tons of CO_2 annually**.
- *The plant* **uses renewable energy**, *primarily geothermal energy from ON Power in Iceland.*
- **CO_2 captured is stored underground** *through a natural process involving basaltic rock, making it permanently stored.*
- *The process is* **verified and certified** *by independent third parties.*



About CCS:

- **Carbon capture and storage** *(CCS) is a process designed to mitigate climate change by capturing carbon dioxide (CO_2) emissions from large point sources such as power plants and industrial facilities, preventing it from entering the atmosphere.*
- **Capture:** *CO_2 is captured from industrial processes or directly from the air using various technologies such as absorption, adsorption, or membrane separation.*
- **Transport:** *Once captured, the CO_2 is compressed into a dense state for transportation via pipelines, ships, or trucks to suitable storage sites.*
- **Storage:** *The CO_2 is injected deep underground into geological formations such as depleted oil and gas reservoirs, saline aquifers, or unmineable coal seams. It is stored securely to prevent leakage back into the atmosphere.*

Types of Storage:

- **Geological Storage:** *Most common method, involves injecting CO_2 into underground rock formations where it is trapped by impermeable layers of rock.*
- **Ocean Storage:** *Considered experimental, involves injecting CO_2 into deep ocean waters where it is theoretically stored for long periods.*
- **Mineralization:** *CO_2 reacts with certain minerals to form stable carbonates, effectively locking it away for geological timescales.*

Benefits:

- *Mitigates climate change by* **reducing CO_2 emissions.**
- *Allows continued use of fossil fuels while reducing their environmental impact.*
- *Can contribute to* **enhanced oil recovery** *(EOR) in certain cases, making it economically viable.*

Challenges:

- **Cost:** *CCS technologies are currently expensive and may require subsidies or incentives to be economically viable.*
- **Scale:** *Large-scale deployment of CCS infrastructure is necessary to achieve significant emissions reductions.*
- **Environmental Concerns:** *Potential risks of CO_2 leakage or induced seismic activity need to be carefully managed.*
- **Public Acceptance:** *Community engagement and regulatory frameworks are crucial for successful CCS projects.*

Global Status:

- *CCS projects are operational or under development in various countries including the* **United States, Canada, Norway, and Australia.**
- *The technology is considered essential for achieving ambitious climate targets such as those* **outlined in the Paris Agreement**.

Policy Implications:

- *Governments may* **incentivize CCS deployment** *through carbon pricing mechanisms, subsidies, or regulatory mandates.*
- **International cooperation** *and funding mechanisms are important for supporting CCS projects, especially in developing countries.*

Future Outlook:

- *Continued research and development are essential to reduce the cost and improve the efficiency of CCS technologies.*
- *Integration with other low-carbon technologies such as renewable energy and hydrogen production could enhance the viability of CCS as part of a comprehensive climate mitigation strategy.*

Practice Question

Q. Discuss the viability of carbon capture and storage (CCS) as a climate mitigation strategy, evaluating its economic feasibility, technological challenges, and environmental implications. (15 marks, 250 words)