

## CSEP Report highlights substantial Financial Requirement to Decarbonize 'Hard-to-Abate' Sectors

A Working Paper titled "India's Climate Finance Requirements" by Centre for Social and Economic Progress (CSEP) assesses India's climate finance requirements for substantially decarbonizing four key 'hard-to-abate' sectors: power, road transport, steel, and cement from 2022 to 2030.

➤ These sectors are 'Hard-to-Abate' due to **energy-intensive** and **emission-intensive production processes**.

### Key highlights of the Paper

- **Rising Emissions:** India's share in global carbon emissions rose from 2.5% in 1990 to an estimated 8.2% in 2023.
  - ⊖ Despite the increase in overall emissions, India's **per capita emissions remain lower** than the global average.
- **Economic Risks:** Climate change poses substantial economic risks, with **potential per capita GDP losses ranging from 2.0% in 2030 to 3-9% by 2047**, depending on mitigation efforts.
- **Estimated Climate Finance:** India's total climate finance requirement for substantial decarbonization of four key sectors (power, road transport, steel, and cement) averages around **1.3% of GDP annually**.

### Policy Recommendations

- **Incentivize Private Investment:** Provide incentives and regulatory measures to encourage private investment in low-carbon technologies and EV adoption.
- **Government Role in Infrastructure:** Government to step in to develop crucial infrastructure, such as **EV charging networks, and invest in R&D for grid management, battery storage, and hydro-pump storage** in the power sector.
- **International Cooperation:** For CCS (Carbon Capture and Storage) technology transfer for 'Hard-to-Abate' sectors.

## "2-System Interaction" weather phenomenon in Northwest India caused heavy rainfall and landslides

The IMD identified the cause as a **confluence of the monsoon trough and an active western disturbance**. This is called the "2-System Interaction".

- This interaction is further intensified by **additional circulations drawing moisture from both the Arabian Sea and the Bay of Bengal into the Himalayan foothills**.

### Monsoon Trough and Its Impact

- The monsoon trough is an **elongated low-pressure area** extending from the **Northwest India to the Bay of Bengal**, acting as a semi-permanent feature of monsoon circulation.
- Its **southward migration typically results in active monsoon conditions** across India.
- During this event, **the western end of the monsoon trough was near its normal position**, while the **eastern end was positioned south of its normal location**.

### Western Disturbances and Their Impact

- Western Disturbances are **low-pressure systems** that typically move from west to east over northern India, usually during winter, bringing clouds and precipitation.
  - ⊖ They often arise over the **Mediterranean**.
- Their convergence with the monsoon system creates **highly unstable weather conditions**, significantly increasing rainfall activity.
- A western disturbance is **manifested as a cyclonic circulation over Northwest India**.



## PM Emphasizes 'Vocal for Local' as path to 'Viksit Bharat'

Prime Minister appealed to people across the country to mark the upcoming festive season by embracing **Swadeshi goods and walking the path of Aatmanirbhar (self-reliant) Bharat** to realise the vision of '**Viksit Bharat**'.

- › '**Vocal for Local**' is for the nation to be self-sufficient in their production and supply and to utilize self-consumption of commodities created.

**Why there is a need for 'Vocal for Local' and Aatmanirbhar Bharat for India?**

- › **Economic Imperatives:** A self-reliant economy can better withstand global disruptions such as the ongoing geopolitical conflicts and trade wars such as the recent **imposition of disproportionate tariffs by the US**.
- › **Demographic Dividend:** Strengthening domestic manufacturing, MSMEs, and agriculture provides large-scale employment opportunities for India's young population.
- › **National Security:** Enhancing domestic tech capabilities is key to ensure data security and protects against imminent cyber threats.
- › **Sustainable Development:** Indigenous capabilities may promote resource efficiency, recycling, and reduced carbon footprint supporting climate commitments.
- › **Diplomatic:** Self-reliance doesn't mean isolation; it means building strength to compete globally. India can become a reliable supplier of pharma, IT, green energy, and digital solutions.

### Measures Taken for Aatmanirbhar Bharat and 'Vocal for Local'

- › **Policy and Structural Reforms:** Aatmanirbhar Bharat Abhiyan (stimulus package of ~10% of GDP in 2020), PLI schemes for different sectors, EoDB reforms such as simplification of labour laws, etc.
- › **Infrastructure and Industrial development:** PM Gati Shakti Master Plan, Nation Infrastructure Pipeline, etc.
- › **Digital Self-reliance:** Digital Public Infrastructure, Semicon India and India Semiconductor Mission, etc.
- › **Promotion of 'Vocal for Local':** PM's mantra of 'Khadi for Fashion, Khadi for Nation', mandatory procurement of local goods under GeM, 'Vocal for Local' initiative by NITI Aayog, GI-tagged products and ODOP, etc.

### Conclusion

A self-reliant India is not about isolationism but about building domestic capabilities to ensure **economic strength, social inclusivity, technological advancement, and strategic autonomy**, while still integrating with the global economy.

## PM holds Bilateral Meeting Chinese President on the sidelines of the SCO Summit

The bilateral meeting between the two leaders signals a **renewed commitment to improving and stabilizing India-China relations**, amid renewed global friction over trade policies of the US.

- › **Outstanding issues in India-China bilateral ties** include **unresolved border disputes, trade imbalances, China – Pakistan nexus, strategic encirclement under 'String of Pearls' by China** in the Indian Ocean Region, etc.

### Key Outcomes of the Meet

- › **Partnership and stability:** They reaffirmed that India and China are **development partners, not rivals**, emphasizing that **differences should not escalate into disputes**.
  - ⊕ A **stable relationship**, based on **mutual respect, interest, and sensitivity**, was deemed crucial for the growth of both nations and for a **multipolar world and Asia**.
- › **Border peace and resolution:** Committed to a **fair, reasonable, and mutually acceptable resolution of the boundary question**, guided by their overall bilateral relations and the **long-term interests of their peoples**.
- › **Strengthening P2P ties:** Recognized the need to **enhance P2P connections** through **direct flights and visa facilitation**, building upon the existing resumption of the Kailash Manasarovar Yatra and tourist visas.
- › **Economic and trade relations:** Emphasized on the need for a political and strategic approach to **expand bilateral trade and investment ties and reduce the trade deficit**.



### Conclusion

The emphasis on partnership over rivalry, the satisfaction with border de-escalation, the commitment to a boundary resolution, and the mutual support for multilateral platforms like SCO and BRICS, all point to a concerted strategy to **recalibrate and strengthen India-China relations**.

## Revised Norms on Tree Plantation-based Green Credits

The revised norms issued under **Green Credit Rules, 2023** focuses on the growth and survival of trees, rather than the earlier benchmark of trees per hectare.

### Key Highlights of Revised Norms

- **Claim of Green Credit:** After 5 years of restoration on degraded forest land and achieving **at least 40% canopy** density.
  - ⊖ 1 Green Credit = 1 new tree (over 5 years old).
- **Credits are non-tradable and non-transferable**, except between a company and its subsidiaries.
- **Credits may be exchanged once** for meeting compensatory afforestation requirements, CSR obligations and project-specific legal plantation obligations.
- **Once exchanged, credits cannot be reused.**

### What are Green Credits (GCs)?

- A form of environmental rewards that **represent the positive environmental actions awarded to entities who participate** in tree plantation initiatives **under the Green Credit Program.**

### About Green Credit Program (GCP, 2023)

- It is an **innovative market-based mechanism** to encourage voluntary plantation activity across the country.
- **Launch:** By Ministry of **Environment, Forest and Climate Change under Environment (Protection) Act, 1986.**
- **Features:**
  - ⊖ **Land Bank Creation:** Through registration of degraded forest lands by Forest departments.
  - ⊖ **Encourage Participation:** Of govt. bodies, NGOs, private firms, etc to take up afforestation.
  - ⊖ **Incentivisation:** Issue Green Credits as rewards for tree plantation.

## Also in News



### FDI in Insurance

Government has issued draft **Indian Insurance Companies (Foreign Investment) Amendment Rules, 2025.**

#### About Rules

- **Issued By:** Ministry of Finance (Dept. of Financial Services) under powers of **Insurance Act, 1938.**
- **Change in Foreign Investment Cap:** Enable **100% Foreign Direct Investment (FDI)** in insurance from earlier 74%, subject to **parliamentary approval.**
- **Permitted via:** The **automatic route**, with oversight by the **Insurance Regulatory and Development Authority of India (IRDAI).**
- **Aims:** To unlock the insurance sector's potential and bolster its projected **7.1% annual growth.**



### APK Scam

**APK Scam** has become one of the fastest-growing cybercrime threats in the country today.

#### About APK Scam

- It is a type of fraud where **criminals use social engineering** to trick individuals into **installing malicious Android Package Kit (APK) files** on their mobile phones.
  - ⊖ Social Engineering techniques include **Impersonating as trustworthy individuals or entities**, such as bank employees or government officials, creating a sense of urgency or fear, etc.
- Subsequent to installation of APK files, fraudsters can carry out **unauthorized financial transactions** without the victim's consent, leading to significant financial losses.



### Multi-Lane Free Flow

**NHAI signed agreement** to implement India's First Multi-Lane Free Flow (MLFF) Tolling System in **Gujarat.**

#### About MLFF

- It is a **tolling system** that enables transactions through reading of **FASTag and Vehicle Registration Number (VRN)** by High performance RFID Readers and Cameras.
- **Launched by:** Ministry of Road Transport and Highways (MoRTH).
- **Significance:**
  - ⊖ **Barrier-less:** No need to stop vehicles.
  - ⊖ **Reduced congestion and travel time** leading to enhanced fuel efficiency and lower emissions.
  - ⊖ **Improved toll revenue collection**, smarter, faster and more efficient National Highway network.



### Exercise Yudh Kaushal

Indian Army has conducted **Exercise Yudh Kaushal 3.0** in the **Kameng region** in Eastern Himalayas.

#### About Exercise Yudh Kaushal

- Major highlight was the **operational debut of the newly raised ASHNI platoons**, designed to integrate advanced technology with traditional combat skills for decisive battlefield advantage.
- It also marked **active participation of the Indian defence industry**, reflecting the push for indigenous innovation under the vision of self-reliance.



## Blue Dragons

Several beaches in Spain were closed due to Blue Dragons.

### About Blue Dragons

- **About:** Blue dragons (*Glaucus atlanticus*) are tiny (4cm long) floating sea slugs that live on the ocean surface.
- **Occurrence:** They are generally found along the warm tropical waters of the **Pacific, Atlantic, and Indian oceans**.
- **Impact on Humans:** A sting from a blue dragon can be extremely painful to humans and cause redness, swelling, nausea, and vomiting. **However, it cannot lead to death.**



## DigiLocker

**National e-Governance Division (NeGD)** has successfully enabled Pan-India integration of nearly **2000 e-Government services** on **DigiLocker** and **e-District** platforms.

- **NeGD** is a **section 8 not-for-profit company** created as an Independent Business Division under the **Ministry of Electronics & Information Technology (MeitY)**.

### About DigiLocker

- **Purpose:** A **flagship MeitY initiative**, it ensures '**Digital Empowerment**' by providing citizens authentic digital documents.
- **Legal Standing:** Issued documents are **legally at par with originals** as per IT (Preservation and Retention of Information by Intermediaries providing Digital Locker facilities) Rules, 2016.
- **Benefits:** Offers **anytime, anywhere access** and **faster service delivery** for citizens. It also **reduces administrative overhead** for agencies and facilitates **secure document exchange** with **real-time verification**.



## Advance Authorisation Scheme

Union Government has **extended the Export Obligation Period** for products under **Advance Authorisation Scheme** to provide relief to textile exporters.

### About Advance Authorisation Scheme

- **Meaning:** It is an **export incentive program**, which allows **duty free import of input**, which is physically incorporated in export product (making normal allowance for wastage) **without mandatory Quality Control Order (QCO) compliance**.
- It covers **manufacturer exporters** or **merchant exporters tied to supporting manufacturer(s)**.
- Quantity of inputs allowed for a given product is based on specific norms defined for that export product.

## Place in News



## Papua New Guinea (Port Moresby)

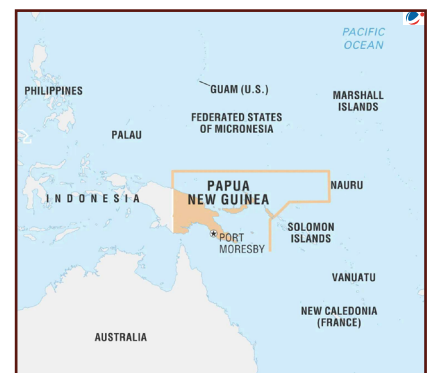
Indian navy warship visits **Port Moresby** to join **Papua New Guinea's 50th independence day celebrations**.

### Political Features

- **Location:** Island country in **Southwestern Pacific Ocean**.
- **Encompasses:**
  - ⊕ Eastern half of **New Guinea** (2nd largest island).
  - ⊕ **Bismarck Archipelago:** New Britain, New Ireland, Admiralty Islands.
  - ⊕ **Bougainville & Buka** (part of Solomon Islands chain).
- **Land Boundary:** **Indonesia** on western side.

### Geographical Features

- **Highest Peak:** **Mount Wilhelm** (4,509 m) in Bismarck Range.
- Geological history shaped by collision of **Australian Plate & Pacific Plate**.



AHMEDABAD



BHOPAL



CHANDIGARH



DELHI



JAIPUR



JODHPUR



GUWAHATI



HYDERABAD



LUCKNOW



PRAYAGRAJ



PUNE



RANCHI



SIKAR