Prelim Bits 20-11-2022 & 21-11-2022 | UPSC Daily Current Affairs

Vostro Account

Nine special Vostro accounts between India and Russia were opened for trade in rupee after RBI's approval.

- Only authorised dealer (AD) banks in India have been permitted to open rupee Vostro accounts by the Reserve Bank of India (RBI).
- The RBI allowed 9 special Vostro accounts, including IndusInd Bank and Uco Bank between India and Russia.
- **Vostro account** - A Vostro account (*Vostro* means 'yours' in Latin) is an account that a domestic bank holds for a foreign bank in the domestic bank's currency.
- In this case between India and Russia, Indian banks hold an account for Russian banks in rupee (INR).
- **Special Vostro Accounts** - Normal Vostro accounts acts only as transit accounts whereas in Special Vostro Accounts INR (Indian Rupee) balances can be held.
- This enables payments in rupee for the export and import of goods in the case of trade with Russia.
- This payment in rupee will go into these Vostro accounts and the banks will keep the record of money transferred.
- The RBI has allowed these special Vostro accounts to invest the surplus balance in Indian government securities to help popularise the new arrangement.

The Reserve Bank of India had announced guidelines on overseas trade in Indian Rupee in July 2022.

References

1. Indian Express - India pushes Rupee trade beyond Russia
2. The Hindu - Vostro accounts opened for trade in rupee

Loss and Damages Fund

In the COP27 U.N. climate summit in Egypt, the parties agreed to create a loss and damage fund.

- Loss and Damage (L&D) Fund is a financing mechanism to compensate the most vulnerable countries from climate-linked disasters.
- Financing or a new fund to deal with loss and damage was a long-pending demand of poor and developing countries, including India.

- The **G-77** (India is part of this group) and China had called for the immediate creation of an L&D fund at COP 27

*Three decades ago **Vanuatu**, an island in Oceania, first asked nations to set up an insurance fund to help island countries cope with the rising seas.*

- Countries agreed at the COP27 Summit to set up a fund to help vulnerable countries being battered by climate disasters
- A **'Transitional Committee'** would be established which will decide the modalities, sources and governance of the fund, which will be considered at COP28.
- The Transitional Committee will have 23 members, comprising 10 members from developed country Parties and 13 members from developing country Parties.
- The Committee will consider
    1. Establishing institutional arrangements, modalities, structure, governance and terms of reference of the fund;
    2. Defining the elements of the new funding arrangements;
    3. Identifying and expanding sources of funding;
    4. Ensuring coordination and complementarity with existing funding arrangements.
- **Global Shield** is another funding mechanism which was also launched at the COP27 U.N. climate summit.

The 28th Conference of the Parties (COP) of the UN's Framework Convention for Climate Change will be held in the UAE in 2023.

Loss and Damage

- Loss and Damage (L&D) refers to impacts of climate change that cannot be avoided either by mitigation or adaptation.
- They also include not only economic damage to property but also loss of livelihoods, and the destruction of biodiversity and sites that have cultural importance.

References

1. The Hindu - COP27 | India hails compensation fund
2. Indian Express - COP27: Loss and damage fund lone bright spot

Nicobari Hodi Craft

The Nicobari Hodi craft is the first application seeking GI tag from Andaman & Nicobar Islands.

- The hodi is the Nicobari tribe's traditional craft (a boat).
- Hodi is an outrigger canoe, very commonly operated in the Nicobar group of islands.
- The hodi is built using either locally available trees or from nearby islands, and its design varies slightly from island to island.
- The technical skills for building a hodi are based on indigenous knowledge inherited by

the Nicobarese from their forefathers.



- **Specifications** - The length of the finished canoe has to be 12 times that of its width.
- A 60 to 80 year old tree with a straight trunk or one having a slight incline to one side is preferred.
- The trunk selected has to be free of branches along the required length of 15 times of this width.
- Hodis are used for transporting people and goods (like coconuts) from one island to another and also used for fishing and racing purposes.
- Hodi races are held between islands and villages in Nicobar.

Geographical Indication Tag

- A geographical indication **(GI Tag)** is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin.
- The registration of a geographical indication is valid for a period of 10 years.
- Geographic Indication (GI) is defined under Article-23 and 24 of the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement of the World Trade Organization (WTO).

References

1. The Hindu - Andaman & Nicobar's first application for GI tag

Ivory Trade

For the first time since joining the CITES in 1976, India did not vote against a proposal seeking to re-open the ivory trade.

- Namibia, Botswana, South Africa and Zimbabwe proposed at the CITES Conference of the Parties meetings to re-open the ivory trade by delisting **African elephants.**
- This delisting will allow a regular form of trade in ivory to sell their stockpile to other countries.
- For over three decades, India has opposed the international ivory trade but abstained from voting this proposal at the 19th meeting of the CITES Conference of the Parties (**CITES - CoP19**) in Panama.
- India's change in stance won't make a difference to the outcome of a vote and the proposal was defeated.

Ivory Trade Ban by CITES

- Ivory trade was globally banned in 1989 and all African elephant populations were put in CITES Appendix I.
- The populations of Namibia, Botswana and Zimbabwe were transferred to Appendix II in 1997 and South Africa's in 2000.
    1. CITES Appendix I - No trade is allowed in species in this list

2. CITES Appendix II - Trade is strictly regulated in those in this list

- In 1999 and 2008, Namibia, Zimbabwe, Botswana and South Africa were permitted by CITES to conduct one-off sales of ivory stockpiled from natural elephant deaths and seizures from poachers.
- Namibia's proposal for allowing a regular form of controlled trade in ivory by delisting the elephant populations of the 4 countries from CITES Appendix II was rejected at the CoP17 (2016) and CoP18 (2019) as well.

Ivory Trade Ban in India

- India illegalised trade in ivory from Asian elephants in 1986 by amending the **Wildlife Protection Act 1972** and including a '**Chapter VA**'.
- The 1992 amendment included ivory imported into India as illegalised trade in ivory.
- The Asian elephant is listed in **Schedule I** of the Wildlife Protection Act 1972.

Chapter VA prohibits trade and commerce in trophies and items or animal articles derived from species listed in Schedule I and Part II of Schedule II of the Act.

	African Elephants	Asian Elephants
IUCN	Vulnerable	Endangered
CITES	Appendix II	Appendix I
Wildlife Protection Act 1972.	-	Schedule I

References

1. Indian Express - India abstains on ivory trade vote
2. Hindustan Times - Namibia wants to lift ivory trade ban

Sangai Festival 2022

The Sangai festival for the first time organised in at least 13 places to make it an all-Manipur festival and showcase culture of all communities.

- The 10-day-long Sangai Festival is an **annual** cultural extravaganza in Manipur.
- The Manipur's biggest tourism festival helps to promote Manipur as a world class tourism destination.
- The 11th edition of Sangai festival (2022), themed as '**Festival of Oneness**' is celebrated after 2 years of hiatus due to the pandemic.
- This time the festival will be held in 13 venues across 6 districts, making it an all-Manipur festival and showcase culture of all communities.
- **Sangai deer** - The festival has been named after Sangai deer, Manipur's state animal.
- The Sangai is an endemic and endangered subspecies of brow-antlered deer found only in Manipur, India.
- It is found in its natural habitat only at **KeibulLamjao National Park** over the floating biomass in the south eastern part of Loktak Lake.

The indigenous sagol kangjei, a sport that has now evolved into the modern game of polo, will also be featured during the festival.

References

1. Indian Express – Manipur's biggest tourism festival
2. Northeast Today - The cultural extravaganza Sangai Festival 2022
3. Deccan Herald - Sangai festival as an image makeover

