NEXT IAS

DAILY CURRENT AFFAIRS (DCA)

Time: 45 Min

Date: 29-04-2026

Table of Content

2026 SHANGHAI COOPERATION ORGANISATION (SCO) DEFENCE MINISTERS' MEETING

Context

- Speaking at the SCO Defence Ministers' Meeting in Kyrgyzstan, the Defence Minister called for unified SCO action against terrorism and warned against double standards.

Shanghai Cooperation Organisation (SCO)

- **Shanghai Five** emerged in **1996** from a series of border demarcation and demilitarization talks between **4 former USSR republics and China.**
  - **Kazakhstan, China, Kyrgyzstan, Russia and Tajikistan** were members of the **Shanghai Five.**
  - With the accession of **Uzbekistan** to the group in **2001**, the Shanghai Five was renamed the SCO.
- **Objective:** To enhance regional cooperation for efforts to curb terrorism, separatism, and extremism in the Central Asian region.
- **Members (10):** China, Russia, India, Pakistan, Iran, Belarus and the four Central Asian countries of Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan.
  - India became a full member in **2017** and assumed the rotating **chairmanship in 2023.**
  - Member countries contribute around **30% of the global GDP** and about **40% of the world's population**.
- **Observer status:** Afghanistan and Mongolia.
- **Language:** The SCO's official languages are Russian and Chinese.
- **Structure: The supreme decision-making body** of the SCO is the **Council of Heads of States (CHS)** which meets once a year.
  - **The Organization has 2 standing bodies** — the Secretariat in Beijing and the Executive Committee of the Regional Anti-Terrorist Structure (RATS) in Tashkent.

Significance for India

- **Regional Security:** The SCO serves as a platform for addressing security concerns, including terrorism, separatism, and extremism, which are critical issues for India.
  - Through SCO's Regional Anti-Terrorist Structure (RATS), India collaborate on intelligence sharing and counter-terrorism efforts.
- **Balancing China and Pakistan:** While both are SCO members, the forum allows India to assert its position and prevent the formation of anti-India narratives.
- **Energy Security:** Central Asia is rich in oil, gas, and uranium. SCO membership allows India to strengthen energy ties with these countries.
- **Economic Cooperation:** The organization facilitates economic collaboration among member states, which enhance trade and investment opportunities for India, particularly with Central Asian countries.
- **Central Asia:** The **SCO is especially important for India** because its membership and focus emphasize **Central Asia**—a region where **India is keen to ramp up ties** but faces an inherent constraint with its outreach.

Challenges

- **China-Pakistan Axis:** The strong partnership between China and Pakistan within the SCO complicates India's strategic positioning, as at times it limits India's influence in regional security discussions.
- **Geopolitical Tensions:** Ongoing border disputes and geopolitical tensions with China and Pakistan spill over into SCO discussions, making it difficult for India to engage constructively.
- **Focus on Security over Economic Development:** The SCO's primary focus on security issues sometimes overshadow economic and developmental cooperation, which are crucial for India's interests in the region.
- **Institutional limitations:** Decision-making within SCO is consensus-based, slowing progress on key issues.

Conclusion

- SCO is a strategic platform for India to engage with Eurasian powers, promote regional stability, secure economic and energy interests, and enhance counter-terrorism cooperation.
- Despite challenges, India uses SCO to promote its vision of "Security and Growth for All in the Region (SAGAR)" and as a counterbalance to Western alliances.

Source: AIR

LIMITS OF INTERNATIONAL MARITIME LAW

Context

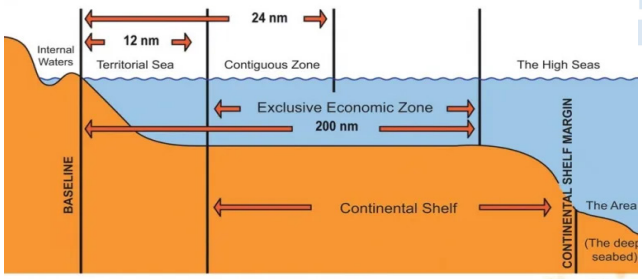
- The recent **escalation in the Strait of Hormuz**, involving Iran detaining ships and the U.S. intercepting vessels on the high seas, has raised critical questions about the legality of such actions **under international maritime law.**

Background

- The Strait of Hormuz is one of the world's most crucial chokepoints for global energy trade, through which nearly a **fifth of global oil supplies pass**.
- Any disruption in this region has significant implications for global shipping, energy markets, and geopolitical stability.

Legal Framework Governing Maritime Spaces

- The global maritime order is primarily governed by the **United Nations Convention on the Law of the Sea (UNCLOS)**, which came into force in 1994. It treats the seas as a shared global commons and establishes clear rules for navigation and jurisdiction.
  - **High Seas:** These areas lie beyond national jurisdiction and guarantee freedom of navigation to all states. Interception of vessels is permitted only under limited conditions, such as piracy, stateless vessels, hot pursuit, or authorisation by the UN Security Council.
  - **Territorial Waters:** Coastal states exercise sovereignty, but foreign vessels enjoy the right of "innocent passage", provided they do not threaten the security of the state.
  - **Straits Used for International Navigation:** Such straits are governed by the principle of "transit passage", which ensures continuous and unhindered movement of ships and aircraft.



Does Iran Have the Right to Regulate the Strait?

- At its narrowest point, the territorial waters of Iran and Oman overlap, leaving no high seas corridor. Therefore, the Strait is governed by **transit passage** under UNCLOS.
- This implies that while Iran may regulate certain navigational aspects, such as designated shipping lanes, it cannot suspend or deny transit to merchant vessels.
- Attempts to impose tolls or restrict passage based on geopolitical considerations would violate the principle of free navigation.
- However, ships must comply with certain conditions, including continuous transit, adherence to traffic separation schemes, and refraining from activities that breach local laws.

Legality of U.S. Actions

- The United States has justified its interception of Iranian-linked vessels as part of enforcing sanctions and preventing illegal trade. However, such sanctions are based on domestic law and lack universal legitimacy unless backed by the United Nations.
- Under international law, interception on the high seas is permissible only in specific cases. In the absence of UN Security Council authorisation or flag state consent, such actions raise questions about their legality and may be viewed as unilateral enforcement.

Key Issues

- **Conflict between geopolitics and legal norms:** Both Iran and the U.S. actions challenge established maritime rules.
- **Weaponisation of global commons:** Strategic waterways are increasingly used as leverage in conflicts.
- **Ambiguity in enforcement:** Limited mechanisms exist to enforce compliance with UNCLOS provisions.

Implications for India

- India's energy security is closely linked to the Strait of Hormuz, making it highly vulnerable to disruptions.
  - India imports **over 85% of its crude oil**, with nearly **40–50%** of these supplies transiting through the Strait. A large share of **LNG imports (especially from Qatar)** also passes through this route.
  - India also depends on imports of **fertilisers and fertiliser inputs (like ammonia and urea)** from West Asia that move through this corridor.
  - Further, India has one of the **largest seafaring workforces globally**, with over **2.5 lakh Indian seafarers** employed in international shipping. Escalation in tensions in the region could pose **risks to Indian crews and vessels**, disrupt maritime operations, and increase insurance and freight costs.

Way Forward

- The **International Maritime Organization (IMO)** can play a key role in facilitating dialogue and ensuring safe navigation.
- Diplomatic engagement, adherence to UNCLOS principles, and multilateral cooperation are essential to prevent further escalation.

Source: TH

DIGITAL PUBLIC INFRASTRUCTURE (DPI)@2047 ROADMAP

In News

- NITI Aayog has launched **DPI@2047 for Viksit Bharat**, a roadmap for India's next phase of **Digital Public Infrastructure (DPI)** aimed at driving inclusive and productivity-led growth.

Digital Public Infrastructure (DPI)

- **Digital Public Infrastructure (DPI)** refers to foundational digital systems that are accessible, secure, and interoperable, supporting essential public services.
- **India's Digital Public Infrastructure** began with the **JAM trinity**—Jan Dhan bank accounts, Aadhaar identity, and mobile connectivity—which linked citizens directly to government systems.
  - This enabled direct transfer of welfare benefits, reducing intermediaries, delays, and leakages, and laid the foundation for India's broader digital transformation.

Importance of DPI

- **Governance Efficiency**: DPI Enables direct benefit transfers, subsidy delivery, and e-governance platforms, reducing leakages and corruption.
- **Financial Inclusion:** UPI has transformed payments, now operational in 8 countries, supporting cross-border transactions.
- **Economic Growth:** India is the world's 3rd-largest digitalised economy, with digital platforms embedded in daily economic and social life.
  - DPI drives entrepreneurship, fintech innovation, and digital commerce.
- **Global Leadership:** India Stack Global and DPI cooperation agreements with 24 countries showcase India's role in shaping trusted digital pathways.

Key Digital Public Infrastructure (DPI) and digital solutions are as follows

- **Aadhaar** – A biometric-based digital identity platform that enables unique identification and authentication of residents for efficient service delivery.
- **Unified Payments Interface (UPI)** – A real-time digital payment system enabling instant, interoperable, and secure person-to-person and merchant transactions.
  - UPI is now active in 8 countries, improving cross-border payments, remittances, and financial inclusion, and strengthening India's fintech influence globally.
- **CoWIN –** A digital platform for end-to-end management of vaccination services, including registration, scheduling, and certification.
- **API Setu –** A platform that enables secure and standardized sharing of government data and services through APIs.
- **DigiLocker** – A digital document wallet that allows citizens to store, access, and share authenticated electronic documents.
- **Aarogya Setu** – A digital health application providing risk assessment, health advisories, and access to health-related services.
- **Government e-Marketplace (GeM) –** An online platform for transparent and efficient procurement of goods and services by government entities.
- **UMANG** – A unified mobile and web platform providing single-window access to a wide range of government services.
- **DIKSHA** – A national digital platform supporting teachers and learners with e-content, training, and academic resources.
- **e-Sanjeevani** – A telemedicine platform enabling remote doctor-to-patient consultations, particularly in rural and underserved areas.
- **e-Hospital** – A hospital management system providing online registration, appointments, diagnostics, and billing services.
- **e-Office** – A digital platform for paperless governance enabling electronic file management and decision-making in government offices.
- **eCourts** – A mission-mode project for digitising court processes and improving access to judicial services.
- **POSHAN Tracker** – A mobile-based application for real-time monitoring of nutrition service delivery under ICDS.
- **National Non-Communicable Diseases Platform (NCD)** – A digital platform for screening, diagnosis, and management of major non-communicable diseases.
- **Skill India Digital Hub (SIDH)** – A unified digital platform integrating skilling, training, and employment-related services.
- **Public Financial Management System (PFMS) –** A platform for end-to-end monitoring of government funds and direct benefit transfers.
- **PM GatiShakti –** A GIS-based digital platform for integrated planning and coordinated implementation of infrastructure projects.

International Collaborations

- **Global partnerships**: India has signed agreements with 24 countries to share expertise on India Stack and DPI, focusing on digital identity, payments, data systems, and service delivery.
  - The aim is collaboration on design principles, not exporting fixed products.
- **India Stack Global:** A dedicated platform that shares India's digital tools and frameworks with partner countries, presenting them as adaptable "building blocks" for digital systems.
- **G20 recognition:** During India's 2023 G20 Presidency, DPI was recognised as a key development tool. A Global DPI Repository was created to share knowledge, with India contributing the most solutions.
- **Modular Open-Source Identity Platform (MOSIP)** : It is developed in India and provides a configurable and open-source framework for countries seeking to build sovereign digital identity systems.
  - More than 25 nations are adopting or exploring the platform for their national identity programmes.
- **Roadmap for India's next phase of Digital Public Infrastructure:** It is Developed with EkStep Foundation and Deloitte and it outlines two stages:
- **Stages** : DPI 2.0 (2025–2035), focused on scaling digital infrastructure into sectors like agriculture, MSMEs, education, health, and services,
  - DPI 3.0 (2035–2047) for broader prosperity.
- It emphasizes using AI, better data systems, digital platforms, and local-level implementation to improve livelihoods, productivity, and market access.

Challenges

- **Digital Divide:** Unequal access to smartphones, internet connectivity, and digital literacy, especially in rural areas.
- **Data Privacy & Security:** Concerns over surveillance, misuse of personal data, and weak data protection frameworks.
- **Interoperability Issues:** Need for seamless integration across states, sectors, and international systems.
- **Trust Deficit:** Building digital trust among citizens and businesses remains a major challenge.
- **Capacity Constraints:** Limited institutional capacity to regulate emerging technologies like AI, blockchain, and quantum computing.

Suggestions

- **Enact robust data protection laws** and enhance cybersecurity standards.
- **Expand broadband highways**, mobile connectivity, and digital literacy programs under Digital India.
- **Scale India Stack Global** to support partner nations, positioning India as a DPI hub.
- **Invest in AI,** IoT, blockchain, and quantum computing to future-proof DPI.
- **Ensure DPI remains open**, transparent, and accountable, reinforcing its role as a public good.

Conclusion

- **India's Digital Public Infrastructure** has grown into a secure, interoperable system that supports governance, services, and economic activity while promoting inclusive growth.
- It is seen globally as a model for building scalable digital public goods. Despite challenges like privacy and access, it remains central to **India's Viksit Bharat 2047 vision**, with a focus on balancing innovation and regulation to empower citizens and modernise governance.

Source :PIB

MANUFACTURING HUBS: BUILDING INTEGRATED INDUSTRIAL ECOSYSTEMS

Context

- India's manufacturing strategy has increasingly focused on the **development of integrated manufacturing hubs.**

Manufacturing Sector in India

- Manufacturing contributes around **16–17% of GDP** and employs over 27 million workers.
- As the country works towards transforming from a **$3.7 trillion economy to a $30–35 trillion economy by 2047,** manufacturing is expected to play a central role, with its **share in GDP rising to at least 25%.**
- **India is focussing on 14 identified sunrise sectors** like semiconductors, renewable energy components, medical devices, batteries and labour intensive industries, including leather and textile, to enhance the share of manufacturing in GDP.

Challenges Faced by India's Manufacturing Sector

- **Infrastructure Bottlenecks:** High logistics cost, poor port connectivity, and power shortages leads to low output.
- **Low R&D and Innovation**: India invests less than 1% of GDP in R&D, limiting high-tech manufacturing.
- **Import Dependence:** Heavy reliance on imports for semiconductors, electronics components, and defence equipment.
- **Skill Gaps:** There is a major mismatch between workforce skills and industry requirements.
- **Low Productivity:** Due to the outdated machinery, small-scale fragmented units, and limited automation productivity remains low.
- **Global Competition:** Countries like Vietnam, Bangladesh, and China offer cheaper production and better ecosystems making Indian products less competitive.
- **Environmental Concerns:** Rising pressure for sustainable and green manufacturing with high compliance costs.

Development of Manufacturing Hubs in India

- India's manufacturing strategy has increasingly focused on the development of **integrated manufacturing hubs.**
  - These hubs are designed to support scale, **reduce transaction costs, and anchor long-term manufacturing activity.**
- **Need for these hubs:** Countries that are able to provide stable production environments are supported by infrastructure, logistics, skills, and institutional coordination.
  - They are better positioned to sustain manufacturing activity and retain long-term production mandates.

Types of Manufacturing Hubs in India

- **Large Integrated Manufacturing Hubs:** These are master-planned industrial zones with plug-and-play infrastructure that host anchor manufacturers and their supplier ecosystems in one location.
- **Sector-Specific Manufacturing Ecosystems:** These hubs integrate production units with supplier networks, testing, regulatory, and skilling infrastructure to support complete value chains.
  - **Bulk Drug Park Scheme:** It is facilitating the establishment of three Bulk Drug Parks in Gujarat, Himachal Pradesh, and Andhra Pradesh to reduce the cost of bulk drug manufacturing.
  - **Semiconductor and electronics ecosystems** are supported under the Semicon India Programme and Electronics Components Manufacturing Scheme (ECMS) 2.0, covering fabrication, assembly, packaging, and testing.
- **Micro, Small, and Medium Enterprises (MSME) Manufacturing Clusters:** The Micro & Small Enterprises – Cluster Development Programme (MSE-CDP) supports infrastructure creation, Common Facility Centres (CFCs), and technology upgradation in MSME clusters.
  - The India Industrial Land Bank (IILB) maps industrial estates, clusters, parks, and zones across the country.
  - State Industrial Development Corporations develop and manage industrial estates for MSMEs.
- **Corridor-Linked Industrial Nodes:** These corridors provide trunk infrastructure, freight connectivity, and multimodal logistics, enabling industrial concentration at scale.

- **Industrial corridors such as** the Delhi–Mumbai Industrial Corridor (DMIC), Chennai–Bengaluru Industrial Corridor (CBIC), Amritsar–Kolkata Industrial Corridor (AKIC), and Vizag Chennai Industrial Corridor (VCIC) are designed to support manufacturing hubs.

Major Government Policies

- **National Industrial Corridor Development Programme (NICDP)** is designed to establish Greenfield Industrial Smart Cities across India, positioning the country as a global manufacturing hub.
  - **20 industrial smart cities** have been approved by the Government which cover 7 industrial corridors and 13 States.
- **PM MITRA (Pradhan Mantri Mega Integrated Textile Region and Apparel)** represents large integrated manufacturing hubs tailored for the textile value chain, combining processing, manufacturing, logistics, and common facilities within a single park framework.
  - These parks have been announced in **seven states,** including Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh, and Maharashtra.
- **PM Gati Shakti National Master Plan:** It is an integrated platform that brings together infrastructure-related data and projects of 44 central ministries and 36 states/Union Territories.
  - The initiative enables coordinated planning of transport, logistics, and utility infrastructure, with a focus on multimodal connectivity, last-mile linkages, and time-bound execution.
- **Biopharma SHAKTI:** Outlay of 10,000 crore over five years to build a biopharma-focused manufacturing ecosystem, including three new National Institute of Pharmaceutical Education and Research (NIPERs) and a nationwide network of over 1,000 accredited clinical trial sites.
- **The National Manufacturing Mission (NMM):** It was announced in the Union Budget 2025–26, as a long-term strategic roadmap that integrates policy, execution, and governance into a single, unified vision.
- **Public Expenditure:** The Government capital outlay has grown from 2 lakh crore in FY2014–15 to a Budget Estimate of 12.2 lakh crore in 2026–27.

Source: PIB

NATURAL AND ORGANIC FARMING

Context

- Recently, the Prime Minister of India said that **Sikkim's model of organic and natural farming** serves as an inspiration for the entire nation, at an event marking the **50th year of Sikkim's Statehood**.

Sikkim Statehood Day

- Sikkim became the **22nd state of India on 16 May 1975** after a referendum.
- It transitioned from a **monarchy under the Chogyal** to a full-fledged democratic state.
- **Article 371F**: Special provisions for Sikkim
- It shares borders with **China (Tibet), Bhutan, and Nepal**.
- It is critical for **India-China relations**; and border infrastructure and security policy.

About Organic & Natural Farming

- **Organic Farming** is defined as a system that **avoids synthetic fertilizers, pesticides, genetically modified organisms (GMOs)**, relying on crop rotation, bio-fertilizers, compost and green manure.
  - It is regulated under the **National Programme for Organic Production (NPOP)**.
- **Natural Farming** is promoted as **'chemical-free, input-free agriculture',** relies on indigenous cow-based inputs, and minimal external inputs.
  - Example: Zero Budget Natural Farming (ZBNF)
- Organic farming allows **external organic inputs**, however, natural farming emphasizes **on-farm resource use.**

Case Study: Sikkim

- It is the **first fully organic state (2016).** It demonstrates policy-driven transformation linking organic farming and eco-tourism.
- Sikkim hosts more than **25% of India's floral diversity** despite less than 1% geographical area.

Government Initiatives

- **National Programme for Organic Production (NPOP):** It is implemented by **APEDA (Ministry of Commerce).** It provides certification standards, and accreditation of certification bodies.
  - It ensures **export credibility of organic products.**
- **Paramparagat Krishi Vikas Yojana (PKVY):** It was launched under **National Mission on Sustainable Agriculture (NMSA).** Its features include cluster-based approach (20 ha clusters), and participatory Guarantee System (PGS) certification.
  - It promotes **community-based organic farming.**

- **Bharatiya Prakritik Krishi Paddhati (BPKP): It** focuses on **natural farming,** and encourages low-cost farming, and reduced dependence on chemical inputs.
- **Mission Organic Value Chain Development for North East Region:** It targets **North-East India,** focusing on value chain development, and export-oriented organic production.
- **National Mission on Sustainable Agriculture (NMSA):** It is an umbrella scheme integrating soil health management, organic inputs promotion, and climate-resilient agriculture.

Significance for India

- **Environmental Benefits:** It improves **soil fertility and microbial activity**, and reduces groundwater contamination, greenhouse gas emissions, and enhances **biodiversity conservation.**
- **Economic Benefits:** Lower input costs (especially in natural farming), premium pricing in domestic and export markets, and boost to **farmer income diversification.**
- **Health & Nutrition:** It produces **chemical residue-free food,** addresses rising concerns of food safety, and lifestyle diseases.

Related Challenges

- **Productivity Concerns:** Initial yield decline during transition period; and limited scientific consensus on long-term yields.
- **Market & Certification Issues:** High certification costs under NPOP, and weak domestic market linkages.
- **Awareness & Capacity:** Lack of farmer training, and limited extension services.
- **Supply Chain Constraints:** Storage, processing, and export infrastructure gaps.

Way Forward

- Strengthen **research & evidence-based validation**
- Improve **market access and branding (e.g., 'India Organic')**
- Promote **digital traceability systems**
- Integrate with **climate policies (NAPCC)**; and **Sustainable Development Goals (SDGs 2, 12, 13, 15)**
- Encourage **public-private partnerships in value chains.**

Source: TH

INDONESIA'S NEW BIOFUEL PUSH

In News

- Indonesia is introducing **B50 biodiesel (50% palm oil, 50% diesel)** to reduce dependence on expensive imported oil amid global price and geopolitical pressures.

Biofuels

- They are **renewable fuels** made from plant and animal waste such as corn, sugarcane, and cooking oil.
- The **two main types are ethanol**, produced by fermenting crops and mixed with petrol to reduce emissions, and biodiesel, made from oils or animal fats through a chemical process.

Benefits

- **Environmental**: They can reduce greenhouse gas emissions, lessen dependence on finite fossil fuels, and help manage agricultural and organic waste more effectively.
- **Energy security:** They can reduce import dependence and improve energy security amid rising demand.
- **Economic benefits:** They can lower the oil import bill, boost farmers' incomes by creating demand for crops like sugarcane and corn, and help manage surplus agricultural production such as excess grains and sugar.

Indonesia's Push for B50

- **Indonesia is introducing B50 fuel** to reduce its dependence on imported crude oil and support domestic palm oil demand amid high global oil prices.
  - **Indonesia using more palm oil domestically** will reduce exports, tightening global supply and pushing up palm oil prices.
- The policy also expands into aviation with plans for blended **sustainable aviation fuel from 2027.**
- It **aims to cut oil imports, stabilise palm oil markets**, and promote cleaner energy use.

Impact on India

- India relies **heavily on imported palm oil, mainly from Indonesia**, so any rise in prices or supply cuts can make cooking oils more expensive and increase food inflation.
- This also raises **costs for food processing, soaps, and related industries**. While alternatives like soybean, sunflower, and mustard oil exist, they are costlier, less available, and cannot fully replace palm oil.

- Consumers may **face higher expenses and industries higher input costs,** though Indian farmers could benefit in the long run if higher prices boost domestic oilseed production.

Do you know?

- India has introduced several policies and initiatives to promote biofuels with goals of reducing oil imports, supporting farmers, and improving environmental sustainability.
  - **National Policy on Biofuels (2018) p**romotes ethanol, biodiesel, and bio-CNG.
    - It includes the Ethanol Blending Programme, support for 2nd-generation ethanol from agricultural waste, R&D in feedstock, and financial incentives.
  - **Global Biofuels Alliance (GBA):** Launched at the G20 Summit in 2023, it brings together countries and organizations to promote sustainable biofuels, encourage global trade, and support technical cooperation.
  - **GST reduction on ethanol**: Tax on ethanol used for blending was cut from 18% to 5% to boost ethanol blending in petrol.
  - **Pradhan Mantri JI-VAN Yojana p**rovides financial support for producing second-generation ethanol from agricultural and forest waste, reducing reliance on food crops.

Source :IE

NEWS IN SHORT

UAE EXIT FROM OPEC AND OPEC+

Context

- The United Arab Emirates announced its withdrawal from OPEC and OPEC+ (effective May 1, 2026).

Reason

- UAE blamed fellow Arab states for not doing enough to protect it from numerous Iranian attacks during the war and decided to exit the grouping.

About OPEC

- The **Organization of the Petroleum Exporting Countries (OPEC)** is an intergovernmental organization founded in 1960 during the Baghdad Conference. Its original founding members were **Saudi Arabia, Iran, Venezuela, Kuwait, and Iraq.**
- **Objectives:** The organization coordinates petroleum supply and demand policies to maintain stable and fair market prices while ensuring a consistent income for oil-producing nations.
- **Current Membership:** It consists of 11 member nations: Algeria, Congo, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia, and Venezuela.

About OPEC+

- OPEC+ is an expanded framework now consisting of 21 members. This includes the 11 original OPEC countries plus 10 other major oil-producing nations: **Russia, Kazakhstan, Azerbaijan, Brunei, Bahrain, Mexico, Oman, South Sudan, Sudan, and Malaysia.**
- **Formation:** It was established in 2016 following the **Algiers Accord (September 2016)** and the subsequent **Vienna Agreement (November 2016)** between OPEC and non-OPEC exporters.
- **Purpose:** The alliance was primarily created **to stabilize the market in response to a significant drop in oil prices** triggered by the rapid increase in U.S. shale oil production.

Source: TH

SACRIFICE RATIO

In News

- Rising oil prices are creating new inflation risks after recent global rate hikes that brought down COVID-era inflation.
  - The US reduced inflation with little economic cost, the UK suffered a recession, and India slowed growth but avoided a downturn.

Sacrifice ratio

- The sacrifice ratio is an economic ratio that measures the effect of rising and falling inflation on a country's total production and output.
- It is calculated by dividing the decrease in production by the percentage drop in inflation, showing how much output is lost for every 1% reduction in inflation.

Importance

- The sacrifice ratio shows the cost of reducing inflation in terms of lost output.
- It helps policymakers estimate how much production may fall when inflation is reduced using tools like higher interest rates.

Source : TH

INDEX OF SERVICE PRODUCTION (ISP)

Context

- The National Statistical Office has proposed a **new Index of Service Production (ISP) with 2024–25 as the base year**.

Need of ISP

- The services sector contributes more than 50% to India's Gross Value Added (GVA), yet **there is no equivalent of the Index of Industrial Production** to monitor short-term trends.
- The ISP will fill this gap and complement the IIP, enabling a more comprehensive understanding of economic activity.
- The absence of such an index currently limits real-time assessment of services sector performance.

Use of Deflators

- The index will use **Service Producer Price Indices (PPIs)** for sectors like banking, insurance, and telecommunications to adjust for price changes.
- In sectors where PPIs are unavailable, sector-specific **Consumer Price Indices (CPIs)** will be used as substitutes.

About National Statistical Office (NSO)

- The National Statistical Office (NSO), under the Ministry of Statistics and Programme Implementation, is India's central agency for official data. Formed in 2019 by merging the CSO and NSSO, it is headed by the **Chief Statistician of India.**

Functions

- The NSO conducts large-scale socio-economic surveys, compiles national income (GDP/GNP), and sets statistical standards for uniformity.
- It provides technical guidance to states, ensures data reliability through digital tools, and coordinates with international organizations.

Major Publications

- **National Accounts Statistics (NAS):** GDP and capital formation.
- **Periodic Labour Force Survey (PLFS):** Employment trends.
- **Index of Industrial Production (IIP) & ASI:** Industrial performance.
- **Consumer Expenditure & Social Consumption:** Poverty and service utilization.
- **Statistical Year Book & Energy Statistics:** Comprehensive sectoral and energy data.

Source: PIB

GEOPHAGY

In News

- **Barbary macaques** in Gibraltar have been found to **eat soil (geophagy)** more often than other populations.

Geophagy

- It is the **widespread behavior of eating soil, clay, or earth substances** like chalk or kaolin.
- It is observed **across many animal groups** and also among some human populations, especially in tropical regions.
- It is found in **many cultures worldwide** but especially common in parts of Africa, among pregnant women, children, and rural populations.
- It may be linked to health or nutritional needs, such as relieving nausea, but its exact causes are not well understood.

Barbary macaque(Macaca sylvanus)

- It is a **unique primate found in Africa** north of the Sahara and is the only wild monkey in Europe.
  - Once widespread across North Africa and parts of Southern Europe, it now survives mainly in small forest areas in Algeria and Morocco, with an introduced population in Gibraltar.
- The species is listed on Appendix I of CITES and The IUCN Red List of Threatened Species classifies it as **Endangered .**

Geophagy linkages with Barbary macaque

- Gibraltar macaques frequently eat soil, especially during tourist-heavy periods when they consume many human foods low in minerals.
  - This geophagy likely helps relieve digestive problems or detoxify their diet.
- The behavior is common, socially shared, not linked to reproduction, and appears to be a response to human influence on their feeding habits.

Source : DTE

INDIA BECOMES 5TH LARGEST MILITARY SPENDER IN 2025: SIPRI

Context

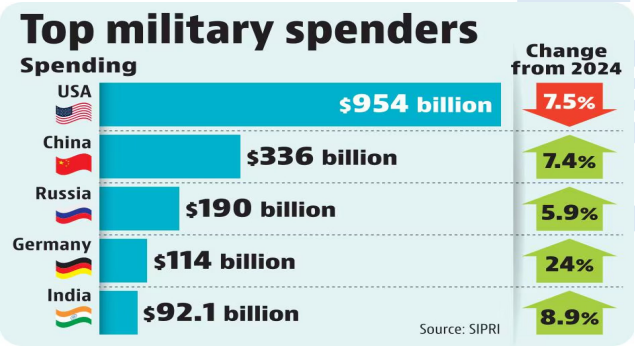
- India emerged as the **world's fifth-largest military spender in 2025**, with defence expenditure reaching $92.1 billion, according to the Stockholm International Peace Research Institute (SIPRI).

Key Highlights (India)

- Defence spending rose by **8.9% year-on-year**, driven by operational and procurement needs amid India–Pakistan tensions (May 2025).
- India remains the **2nd largest arms importer**, accounting for **8.2% of global imports.** However, arms imports declined by **4%** between 2016–20 and 2021–25.
- **Strategic Shift:** India has gradually diversified its arms imports away from Russia towards Western suppliers such as France, Israel, and the United States; Russia's share declined from 70% (2011–15) to 51% (2016–20) and further to 40% in 2021–25.

Global Arms Trends

- Global military expenditure reached a record **$2,887 billion**, marking the **11th consecutive year of growth** and accounting for **2.5% of global GDP**.
- **Ukraine** became the largest arms recipient (2021–25), with **9.7% share.**
- Pakistan, ranked **31st globally**, increased its defence spending to **$11.9 billion (₹11%)**, driven by post-conflict procurement from China.



About SIPRI

- SIPRI was **founded in 1966** by the Swedish parliament as an independent research institute.
- Its main objective is to **conduct research on issues related to international peace and security**, including arms control, disarmament, and conflict resolution.
- It is funded by a combination of government grants, private donations, and project-based funding.
- **SIPRI's flagship publication is the SIPRI Yearbook**, which provides comprehensive data and analysis on global military expenditure, arms transfers, and other relevant security issues.
- SIPRI is based in **Stockholm, Sweden**.

Source: HT