

Q.1) Consider the following countries:

1. Seychelles
2. India
3. Madagascar
4. Maldives
5. Comoros
6. Srilanka
7. Mauritius

Which of the countries are members of Indian Ocean Commission (IOC)?

- a) 1, 2, 4 and 7 only
- b) 1, 3, 5 and 7 only
- c) 1, 2, 3, 4, 5 and 7 only
- d) All the above

Q.1) Solution (b)

Excerpt from Ministry of External Affairs

*“France congratulates India on its leadership at Indian Ocean Rim Association (IORA) and the Indian Ocean Naval Symposium (IONS). France also supports India's entry in **the Indian Ocean Commission (IOC) as an Observer**, and encourages its growing involvement in European Union projects for the Indian Ocean”*

The Indian Ocean Commission is an intergovernmental organization that was created in 1982 at Port Louis, Mauritius and institutionalized in 1984 by the Victoria Agreement in Seychelles.

The COI is composed of five African Indian Ocean nations:

- Comoros
- Madagascar
- Mauritius
- Réunion (an overseas region of France)
- Seychelles.

THINK

- Locate- Comoros, Madagascar, Mauritius, Reunion and Seychelles

Q.2) Consider the following statements regarding India-UN Development Partnership Fund:

1. It is a dedicated facility within United Nations Fund for North-South Cooperation
2. It supports transformational sustainable development projects across the developing world and Small Island developing states.

Which of the above statements is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) None

Q.2) Solution (b)

The India-UN Development Partnership Fund is a dedicated facility within the United Nations Fund for South-South Cooperation established in 2017.

It is supported and led by the Government of the Republic of India, managed by the United Nations Office for South-South Cooperation, and implemented in collaboration with the United Nations system.

The India-UN Development Partnership Fund is managed by the UN Office for South-South Cooperation (UNOSSC).

Indian government has made an additional contribution of \$50 million to development funding. This contribution is in addition to \$100 million pledged in 2017 for the India-UN Development Partnership Fund, thereby increasing India's multi-year contribution to \$150 million.

The India-UN Development Partnership Fund supports Southern-owned and led, demand-driven, and transformational sustainable development projects across the developing world, with a focus on least developed countries and Small Island developing states. United Nations agencies implement the Funds projects in close collaboration with partnering governments.

Grenada, Tuvalu, and Vanuatu are the first three development partners engaged under this newly created Commonwealth window.

Do you know?

- Fund will start with an initial contribution of \$1 million for its first project, **Climate Early Warning System in Pacific Island Countries (CEWSPIC)**.
- The project was developed jointly by India and the UN Development Programme (UNDP) for seven countries -- the Cook Islands, Kiribati, the Marshall Islands, Micronesia, Nauru, the Solomon Islands and Tonga.

THINK

- Locate- the Cook Islands, Kiribati, the Marshall Islands, Micronesia, Nauru, the Solomon Islands and Tonga Grenada, Tuvlu, and Vanuatu.

Q.3) Which of the following are the 'new issues', which developed countries wants to discuss in WTO?

1. E-commerce
2. Competition laws
3. Environment
4. Export subsidies.

Select the correct answer using the codes given below.

- a) 1, 2 and 3 only
- b) 1, 3 and 4 only
- c) 2, 3 and 4 only
- d) All the above

Q.3) Solution (a)

The rich (developed) countries wanted the introduction of new issues of their interests which included—**global value chain, e-commerce, competition laws, labour, environment and investments** for discussion in WTO's Ministerial Conference.

Do you know?

Non-trade issues –

- Developed nations strived to bring into the discussions a stream of issues **from rules for small and medium enterprises to gender rights in global trade**, which India has categorized as nontrade issues.
- Many of these proposals run counter to India's interests while also reducing the policy space for governments if norms are decided beforehand.

THINK!

- Peace clause

Q.4) The theme of 2017's summit was 'shaping an interconnected world'. Which of the following organization's theme is this?

- a) World Economic Forum
- b) G-20
- c) World Entrepreneurship Summit
- d) ASEAN

Q.4) Solution (b)

The G-20 summit 2017 was held in Hamburg, Germany. The theme of this year's summit was 'shaping an interconnected world'.

Do you know?

The G20 brings together 19 countries plus the EU. The G20 summit was established in 2008 amidst the global financial crisis to increase international economic. Since then, G20 members have been meeting annually to discuss a wide range of **issues related to economic and financial cooperation.**

THINK!

- BRICS

Q.5) Which of the following is not the member of the SASEC?

- a) India
- b) Bangladesh
- c) Myanmar
- d) Thailand

Q.5) Solution (d)

The seven-member SASEC formed in 2001 comprises **India, Bangladesh, Bhutan, Maldives, Nepal, Sri Lanka and Myanmar**, and aims to increase economic growth by building cross border connectivity.

Do you know?

- South Asian Sub-Regional Economic Cooperation (SASEC) Road Connectivity Investment Program focuses on road infrastructure to improve regional connectivity between Bangladesh, Bhutan, Nepal and India (BBIN).

THINK!

- SAARC

Q.6) Consider the following statements about Global Foreign Exchange Committee (GFXC).

1. It is a forum for the promotion of a robust and transparent forex market.
2. It has been established under the aegis of IMF.
3. The committee comprises of both public and private sector representatives.

Which of the above statements is/are correct?

- a) 1 and 2 only
- b) 1 and 3 only
- c) 2 and 3 only
- d) All the above

Q.6) Solution (b)

Global Foreign Exchange Committee

- It is forum of central bankers and experts working towards promotion of a robust and transparent forex market.
- It has been established under the **aegis of BIS**.
- The committee comprises of **public and private sector representatives** from the foreign exchange committees of 16 international forex trading centers.
- One of the major tasks of the committee is to maintain and update the “Global Code of Conduct for the Foreign Exchange Markets”.

Do you know?

- Bank of International Settlements (BIS) is the bank to central banks and aims to support global financial and monetary stability. It is headquartered in Basel, Switzerland.

THINK!

- World Social Forum

Q.7) Consider the following pairs.

Organization	Report
1. United Nations Conference on Trade and Development	World Investment Report
2. World Economic Forum	World Economic Outlook
3. Bank of International Settlements	Global Financial Stability Report
4. International Labour Organization	World Social Protection Report

Which of the above pairs is/are correctly matched?

- a) 1, 2 and 3 only
- b) 2 and 4 only
- c) 1 and 4 only
- d) All the above

Q.7) Solution (c)

Sl No	Organization	Report
1	United Nations Conference on Trade and Development	World Investment Report
2	World Economic Forum	Global Information Technology Report, Travel and Tourism Competitiveness Report, Global Competitiveness Report (GCR)
3	Bank of International Settlements	Global Financial System Report
4	International Labour Organization	World Social Protection Report, World of Work Report, Global Wage Report
5	IMF (International Monetary Fund)	Global Financial Stability Report, World Economic Outlook
6	FATF (Financial Action Task Force)	Global Money Laundering Report
7	IBRD (World Bank)	Ease of Doing Business, World Development Report

Do you know?

- The latest rankings in the **World Happiness Report** place India as low as **133 on the list of 156**. Now that's a rank that shows how unhappy Indians really are despite all the amenities and benefits. What is the bigger concern for India is that the country has slipped a further 11 places in the 2018 report as compared to 2017 where it dropped by 4 places.

THINK!

- Global environmental outlook

Q.8) The Asian Development Bank was established following the recommendations of the United Nations Economic and Social Commission for Asia and Pacific. Which of the following statements regarding ADB are correct?

1. It provides financial assistance and loans only to developing countries of Asia.
2. India is a founding member of ADB
3. ADB provides loans only to Environment friendly infrastructure in developing countries.

Select the code from following:

- a) 1 and 2
- b) 2 only
- c) 2 and 3
- d) None of the above

Q.8) Solution (b)

The ADB defines itself as a social development organization that is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. This is carried out through investments – in the form of loans, grants and information sharing – in infrastructure, health care services, financial and public administration systems, helping nations prepare for the impact of climate change or better manage their natural resources, as well as other areas.

Eighty percent of ADB's lending is concentrated public sector lending in five operational areas.

- Education – Most developing countries in Asia and the Pacific have earned high marks for a dramatic rise in primary education enrollment rates in the last three decades, but daunting challenges remain, threatening economic and social growth.
- Environment, Climate Change, and Disaster Risk Management – Environmental sustainability is a prerequisite for economic growth and poverty reduction in Asia and the Pacific.
- Finance Sector Development – The financial system is the lifeline of a country's economy. It creates prosperity that can be shared throughout society and benefit the poorest and most vulnerable people. Financial sector and capital market development, including microfinance, small and medium-sized enterprises, and regulatory reforms, is vital to decreasing poverty in Asia and the Pacific. This has been a key priority of the Private Sector Operations Department (PSOD) since 2002. One of the most active sub-sectors of finance is the PSOD's support for trade finance. Each year the PSOD finances billions of dollars in letters of credit across all of Asia and the rest of the world.
- Infrastructure, including transport and communications, energy, water supply and sanitation, and urban development.

- Regional Cooperation and Integration – Regional cooperation and integration (RCI) was introduced by President Kuroda when he joined the ADB in 2004. It was seen as a long-standing priority of the Japanese government as a process by which national economies become more regionally connected. It plays a critical role in accelerating economic growth, reducing poverty and economic disparity, raising productivity and employment, and strengthening institutions.
- Private Sector Lending – This priority was introduced into the ADB's activities at the insistence of the Reagan Administration. However, that effort was never a true priority until the administration of President Tadeo Chino who in turn brought in a seasoned American banker – Robert Bestani. From then on, the Private Sector Operations Department (PSOD) grew at a very rapid pace, growing from the smallest financing unit of the ADB to the largest in terms of financing volume. As noted earlier, this culminated in the Long Term Strategic Framework (LTSF) which was adopted by the Board in March 2008.

Note: Financial assistance is provided to member countries in Asia and Pacific region.

Do you know?

- The headquarters of ADB is in Manila, Philippines.
- India is a founding member of ADB.

Q.9) The Financial Stability Board (FSB) is an international body that monitors and makes recommendations about the global financial system. FSB has been established by

- a) World Bank
- b) IMF
- c) World Economic Forum
- d) G 20

Q.9) Solution (d)

Financial Stability Board (FSB)

The Financial Stability Board (FSB) is an international body that monitors and makes recommendations about the global financial system. It was established after the G20 London summit in April 2009 as a successor to the Financial Stability Forum (FSF). The Board includes all G20 major economies, FSF members, and the European Commission. Hosted and funded by the Bank for International Settlements, the board is based in Basel, Switzerland.

Think

- Bank for International Settlement

Q.10) Which of the following statements regarding Organisation of Petroleum Exporting Countries (OPEC) are correct?

1. Venezuela is the only South American country which is part of OPEC.
2. The headquarters of OPEC is in Jeddah, Saudi Arabia
3. OPEC publishes the "World Oil Outlook" (WOO) annually, in which it presents a comprehensive analysis of the global oil industry including medium- and long-term projections for supply and demand.

Select the code from following:

- a) 1 and 2
- b) 2 and 3
- c) 3 only
- d) All of the above

Q.10) Solution (c)**Organization of the Petroleum Exporting Countries (OPEC)**

Organization of the Petroleum Exporting Countries is an intergovernmental organization of 14 nations as of February 2018, founded in 1960 in Baghdad by the first five members (Iran, Iraq, Kuwait, Saudi Arabia, and Venezuela), and **headquartered since 1965 in Vienna, Austria.**

As of May 2017, OPEC has 14 member countries: six in the Middle East (Western Asia), six in Africa, and two in South America. According to the U.S. Energy Information Administration (EIA), OPEC's combined rate of oil production (including gas condensate) represented 44 percent of the world's total in 2016, and OPEC accounted for 73 percent of the world's "proven" oil reserves, including 48 percent from just the six Middle Eastern members.

As of May 2017, OPEC's members are Algeria, Angola, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia (the de facto leader), United Arab Emirates, and Venezuela, while Indonesia is a former member.

Since 2007, OPEC has published the "**World Oil Outlook**" (WOO) annually, in which it presents a comprehensive analysis of the global oil industry including medium- and long-term projections for supply and demand. OPEC also produces an "Annual Statistical Bulletin"

(ASB), and publishes more-frequent updates in its "Monthly Oil Market Report" (MOMR) and "OPEC Bulletin".

Q.11) The three boxes of World Trade Organisation comes under its Agreement on Agriculture. These boxes denote different kind of domestic subsidies provided in a country. Which of the following statements are correct regarding Amber box subsidy?

1. It contains domestic support measures which are considered to distort production and trade.
2. 5 % of agricultural production for developed countries, 10 % for developing countries of such subsidy is allowed.

Select the code from following:

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.11) Solution (c)

Amber box Subsidy

- It contains aid to be avoided and reduced.
- Defined in Article 6 of the Agriculture Agreement , as all domestic supports except those in the blue and green boxes.
- All domestic support measures considered to distort production and trade (with some exceptions)
- Include measures to support prices, subsidies directly related to production quantities, export subsidies, cheap loans etc
- E.g. When European Union buys up cereals and dairy products at guaranteed prices from its producers, (Like Indian Minimum Support Prices but AOA didn't object to Indian MSP programmes) it is amber-box aid.

The European Union often rebates on interest rates in the farming sector.

- These supports are subject to limits: de minimis" minimal supports are allowed (5 % of agricultural production for developed countries, 10 % for developing countries); the 30 WTO members that had larger subsidies than the de minimis levels at the beginning of the post-Uruguay Round reform period are committed to reduce these subsidies.

Think

- Blue Box subsidy
- Green Box Subsidy
- Red Box subsidy

Q.12) The Multilateral Investment Guarantee Agency (MIGA) is an international financial institution which offers political risk insurance and credit enhancement guarantees. MIGA provides insurance to cover which of the five types of Non – Commercial risks?

1. Currency inconvertibility
2. War, terrorism and civil disturbance
3. Breaches of Contract
4. Government Expropriation

Select the code from following:

- a) 1,2 and 3
- b) 1,3 and 4
- c) 2,3 and 4
- d) All of the above

Q.12) Solution (d)

Multilateral Investment Guarantee Agency (MIGA)

MIGA is a member of the World Bank Group. MIGA's mission is to promote foreign direct investment (FDI) into developing countries to help support economic growth, reduce poverty, and improve people's lives.

The Multilateral Investment Guarantee Agency (MIGA) is an international financial institution which offers political risk insurance and credit enhancement guarantees. These guarantees help investors protect foreign direct investments against political and non-commercial risks in developing countries.

Members:

MIGA is owned by its 181 member governments, consisting of 156 developing and 25 industrialized countries. The members are composed of 180 United Nations member states plus Kosovo. Membership in MIGA is available only to countries who are members of the World Bank, particularly the International Bank for Reconstruction and Development.

MIGA offers insurance to cover five types of non-commercial risks: currency inconvertibility and transfer restriction; government expropriation; war, terrorism, and civil disturbance; breaches of contract; and the non-honoring of financial obligations. MIGA will cover investments such as equity, loans, shareholder loans, and shareholder loan guarantees. The agency may also insure investments such as management contracts, asset securitization, bonds, leasing activities, franchise agreements, and license agreements. The agency generally offers insurance coverage lasting up to 15 years with a possible five-year extension depending on a given project's nature and circumstances.

Q.13) The International Development Association (IDA) is the part of the World Bank that helps the world's poorest countries. Which of the following statements regarding IDA is/are correct?

1. IDA aims to reduce poverty by providing loans (called "credits") and grants for programs that boost economic growth, reduce inequalities, and improve people's living conditions.
2. IDA credits have a zero or very low interest charge and repayments are stretched upto 100 years, including a 5- to 10-year grace period.

Select the code from following:

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.13) Solution (a)

International Development Association (IDA)

The International Development Association (IDA) is the part of the World Bank that helps the world's poorest countries. Overseen by 173 shareholder nations, IDA aims to reduce poverty by providing loans (called "credits") and grants for programs that boost economic growth, reduce inequalities, and improve people's living conditions.

IDA complements the World Bank's original lending arm—the International Bank for Reconstruction and Development (IBRD). IBRD was established to function as a self-sustaining business and provides loans and advice to middle-income and credit-worthy poor countries. IBRD and IDA share the same staff and headquarters and evaluate projects with the same rigorous standards.

IDA is one of the largest sources of assistance for the world's 75 poorest countries, 39 of which are in Africa, and is the single largest source of donor funds for basic social services in these countries.

IDA lends money on concessional terms. This means that IDA credits have a zero or very low interest charge and repayments are stretched over 25 to 40 years, including a 5- to 10-year grace period. IDA also provides grants to countries at risk of debt distress.

Think

- IBRD
- World bank Group

Q.14) Voting power in the IMF is based on a quota system. Which of the following regarding Voting rights is/are correct?

1. Each member has a number of basic votes, plus one additional vote for each Special Drawing Right (SDR) of 100,000 of a member country's quota.
2. Quota of a country in IMF is decided by the size of the economy and its importance.

Select the code from below:

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.14) Solution (c)

Voting in IMF

Voting power in the IMF is based on a quota system. Each member has a number of basic votes (each member's number of basic votes equals 5.502% of the total votes), plus one additional vote for each Special Drawing Right (SDR) of 100,000 of a member country's quota. The Special Drawing Right is the unit of account of the IMF and represents a claim to currency. It is based on a basket of key international currencies. The basic votes generate a slight bias in favour of small countries, but the additional votes determined by SDR outweigh this bias. Changes in the voting shares require approval by a supermajority of 85% of voting power.

How the size of quota for each member country is determined.

The quota of a country depends on its economic importance. When a country joins the IMF, it is assigned an initial quota in the same range as the quotas of existing members that are broadly comparable in economic size and characteristics. The IMF uses a quota formula to guide the assessment of a member's relative position.

The current quota formula (applied for 14th quota review) is a weighted average of GDP (weight of 50 percent), openness (30 percent), economic variability (15 percent), and international reserves (5 percent). For this purpose, GDP is measured through a blend of GDP—based on market exchange rates (weight of 60 percent)—and on PPP (Purchasing Power Parity) exchange rates (40 percent). The formula also includes a “compression factor” that reduces the dispersion in calculated quota shares across members. Quota formula is also subjected to review.

Think

Controversy in Quota of developing economies

Q.15) With regard to OPEC, consider the following statements

1. Vienna is the Headquarters of OPEC
2. Iran is not a part of OPEC
3. OPEC members include countries from Middle East, Africa and South America

Select the correct answer from the codes given below

- a) 2 only
- b) None
- c) 1 and 3 only
- d) 1, 2 and 3

Q.15) Solution (c)

The Middle East is a transcontinental region centered on Western Asia and Egypt.

The Organization of the Petroleum Exporting Countries (OPEC) is a permanent, intergovernmental Organization, created at the Baghdad Conference on 1960, by Iran, Iraq, Kuwait, Saudi Arabia and Venezuela. The five Founding Members

headquartered since 1965 in Vienna. As of 2015, the 13 countries accounted for an estimated 40 % percent of global oil production and 70% percent of the world's "proven" oil

reserves, giving OPEC a major influence on global oil prices that were previously determined by American-dominated multinational oil companies.

The organization is also a significant provider of information about the international oil market. As of December 2017, OPEC's members are Algeria, Angola, Ecuador, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia (the de facto leader), United Arab Emirates, and Venezuela. Two-thirds of OPEC's oil production and reserves are in its six Middle Eastern countries that surround the oil-rich Persian Gulf.

The effect can be particularly strong when wars or civil disorders lead to extended interruptions in supply.

Economists often cite OPEC as a textbook example of a cartel that cooperates to reduce market competition, but whose consultations are protected by the doctrine of sovereign immunity under international law.

Q.16) Consider the following statements regarding 'New Development Bank':

1. It is a multilateral development bank established by the BRICS countries.
2. The Bank shall support public or private projects through loans, guarantees, equity participation and other financial instruments.
3. All members of the United Nations could be members of the bank, however the share of the BRICS nations can never be less than 55% of voting power.

Which of the above statements are correct?

- a) 1 and 2
- b) 2 and 3
- c) 1 and 3
- d) All of the above

Q.16) Solution (d)

The **New Development Bank (NDB)**, formerly referred to as the **BRICS Development Bank**, is a multilateral development bank established by the BRICS states (Brazil, Russia, India, China and South Africa). According to the Agreement on the NDB, "the Bank shall support public or private projects through loans, guarantees, equity participation and other financial instrument." Moreover, the NDB "shall cooperate with international organizations and other financial entities, and provide technical assistance for projects to be supported by the Bank."

The initial authorized capital of the bank is \$100 bln divided into 1 mln shares having a par value of \$100,000 each. The initial subscribed capital of the NDB is \$50 bln divided into paid-in shares (\$10 bln) and callable shares (\$40 bln). The initial subscribed capital of the bank was equally distributed among the founding members. The Agreement on the NDB specifies that the voting power of each member will be equal to the number of its subscribed shares in the capital stock of the bank.

Q.17) Consider the below statements:

1. State entities can directly access funds from official lenders like ADB for financing infrastructure projects.
2. State entities can borrow funds from Official Development Assistance (ODA) for financing infrastructure projects.

Which of the statements given above is/are true?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.17) Solution (c)

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the policy guidelines to allow financially sound State Government entities to borrow directly from bilateral ODA (Official development Assistance) partners for implementation of vital infrastructure projects.

The guidelines will facilitate the State Government entities to directly borrow from the external bilateral funding agencies subject to fulfilment of certain conditions and all repayments of loans and interests to the funding agencies will be directly remitted by the concerned borrower. The concerned State Government will furnish guarantee for the Loan. The Government of India will provide counter guarantee for the loan.

External assistance today plays a supportive role in financing major infrastructure projects, social sector projects and in building up institutional capacity. The role of external assistance has gained further significance in view of the large gap in funding requirements for major infrastructure projects implemented by the State Governments in order to acquire competitive strength under the globalized economic framework.

Q.18) With reference to Asia Pacific Trade Agreement (APTA), consider the following statements:

1. APTA is a preferential trade agreement between six developing countries of Asia including China and Korea.
2. APTA is an initiative by the UN Economic and Social Commission for Asia and the Pacific.

Which of the statements given above is/are not true about APTA?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.18) Solution (d)

The Asia-Pacific Trade Agreement (APTA), previously named the Bangkok Agreement, signed in 1975 as an initiative of ESCAP, is a preferential tariff arrangement that aims at promoting intra-regional trade through exchange of mutually agreed concessions by member countries. APTA has six members namely Bangladesh, China, India, Republic of Korea, Lao People's Democratic Republic and Sri Lanka. ESCAP functions as the secretariat for the Agreement.

Q.19) A latin phrase “res extra commercium” has been in news recently. If applied it will impact which of the following?

- a) Trade rights of a company
- b) Right to freedom of movement
- c) Right to residence
- d) Subsidiary holding rights of a company

Q.19) Solution (a)

“Res extra commercium”, is a Latin phrase meaning “outside commerce”.

It dates back to the Roman period.

The Indian government is pushing the Supreme Court to apply this rarely used doctrine to tobacco industry.

If applied, the doctrine would have far reaching implications: in denying the industry's legal standing to trade, it gives authorities more leeway to impose restrictions.

It gives the state autonomy to completely ban trade in tobacco. It gives governments the constitutional cover that will protect future litigation. The industry will lose significant ground, as their protection of right to trade is gone.

Do you know?

- It has already been used in India, when the Supreme Court's application of the doctrine to alcohol in the 1970s paved the way for at least two Indian states to ban it completely and allowed courts to take a stricter stance while regulating liquor.

Q.20) Consider the following statements:

1. India was among the original members of the IMF when it started functioning in 1946.
2. Extended Fund Facility (EFF) is a service provided by the IMF to its member countries.
3. India had signed this agreement with the IMF in the financial year 1991–92.

Which of the statements given above is/are correct?

- a) 3 only
- b) 1 and 2
- c) 1 and 3
- d) 1, 2 and 3

Q.20) Solution (b)

India was among the original members of the IMF when it started functioning in 1946.

The Extended Fund Facility (EFF) is a service provided by the IMF to its member countries which authorises them to raise any amount of foreign exchange from it to fulfill their BoP crisis, but on the conditions of structural reforms in the economy put by the body. It is the first agreement of its kind. India had signed this agreement with the IMF in the financial year 1981–82.

Q.21) Bangkok Agreement, which was signed in 1975 as an initiative of ESCAP, has been rechristened as –

- a) ASEAN Free Trade Area (AFTA)
- b) Raisina Dialogue
- c) Fortaleza Declaration
- d) Asia-Pacific Trade Agreement (APTA)

Q.21) Solution (d)

Bangkok Agreement, signed in 1975 as an initiative of ESCAP, has been rechristened as Asia-Pacific Trade Agreement (APTA). It is a preferential tariff arrangement that aims at promoting intra-regional trade through exchange of mutually agreed concessions by member countries.

APTA has six members namely Bangladesh, China, India, Republic of Korea, Lao People's Democratic Republic and Sri Lanka. ESCAP functions as the secretariat for the Agreement.

Q.22) Consider the following statements

1. Ministry of Social Justice and Empowerment is the nodal ministry on Drug Demand Reduction
2. National Survey on Extent and Pattern of Substance Use is conducted by NITI Aayog

Select the correct statements

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.22) Solution (a)

National Survey on Extent and Pattern of Substance Use

- The National Survey on Extent and Pattern of Substance Use in India (also known as the National Drug Use Survey or NDUS) is a large-scale epidemiological study being conducted across the country to estimate the prevalence of use of various psychoactive substances in the Indian population.

- NDUS involves a combination of several methodological approaches to study the drug use situation in the country which include a general population survey in a representative sample of households throughout India, a Respondent Driven Sampling Survey, Focussed thematic studies and survey among service providers.
- The survey has been commissioned and funded by the Ministry of Social Justice and Empowerment (MoSJE), Government of India which is the nodal ministry on Drug Demand Reduction.
- The Ministry of Social Justice and Empowerment has designated National Drug Dependence Treatment Centre (NDDTC), All India Institute of Medical Sciences (AIIMS), New Delhi as the nodal agency for conducting the survey.
- As the nodal agency, NDDTC, AIIMS has developed the design and methodology for the survey and is responsible for providing technical guidance to the other agencies involved in the project.
- The survey is being executed as a collaborative project between NDDTC, AIIMS and various Government and Non-governmental Organizations such National Institute of Social Defence (NISD, Government Medical Colleges, Regional Resource and Training Centres (RRTCs) of MoSJE and Integrated Rehabilitation Centres for Addicts (IRCA).
- The collaborating agencies are responsible for conducting survey activities in one or more states covered by the NDUS.
- The last National Survey on Extent and Pattern of Substance Use in India was conducted in the year 2000-2001. Thereafter, no such survey has been conducted.

Do You Know?

- The Ministry of Social Justice and Empowerment is the nodal Ministry for drug demand reduction.
- It coordinates and monitors all aspects of drug abuse prevention which include assessment of the extent of the problem, preventive action, treatment and rehabilitation of addicts, dissemination of information and public awareness.

Source: <http://pib.nic.in/PressReleaseDetail.aspx?PRID=1518321>

Q.23) Consider the following statements

1. 'Sanitease' has been launched by the Ministry of Youth Affairs and Sports
2. Stree Swabhimani aims to create a sustainable model for providing adolescent girls and women access to affordable sanitary products by leveraging CSCs
3. Under the 'Stree Swabhimani' project, sanitary napkin micro manufacturing units are being set up at CSCs across India, particularly those operated by women entrepreneurs.

Select the correct statements

- a) 1 and 2
- b) 2 and 3
- c) 1 and 3
- d) All of the above

Q.23) Solution (d)**Stree Swabhiman**

- It aims to create a sustainable model for providing adolescent girls and women an access to affordable sanitary products by leveraging CSCs.
- Under the 'Stree Swabhiman' project, sanitary napkin micro manufacturing units are being set up at CSCs across India, particularly those operated by women entrepreneurs.
- The initiative is driven by awareness and personalised outreach by women entrepreneurs who produce and market sanitary napkins themselves

Sanitease

- Ministry of Youth Affairs and Sports has launched 'Sanitease' under its social development activity, Swachhagraha, to promote women's health and hygiene, especially in rural areas.
- The objective of 'Sanitease' is to create awareness and provide logistics for women specially in the rural parts of the state.
- The project is being carried out in association with the Nehru Kendra Sanghatana and Aquakraft Projects Pvt.
- Under the project 'Sanitease', Swachhagraha would reach out to both urban and rural schools at the secondary level and compile the data on female students and sanitary napkins required per month.

Q.24) Recently 'Global Centre for Cybersecurity' was announced to safeguard the world from hackers and growing data by

- a) International Telecommunication Union
- b) World Economic Forum
- c) World Bank
- d) None of the above

Q.24) Solution (b)**Global Centre for Cybersecurity**

News: World Economic Forum (WEF) announced a new Global Centre for Cybersecurity to safeguard the world from hackers and growing data

About

- It will be headquartered in Geneva
- It will function as an autonomous organization under the auspices of the World Economic Forum.
- The aim of the centre is to establish the first global platform for governments, businesses, experts and law enforcement agencies to collaborate on cybersecurity challenges.

It will focus on the following aims:

- Consolidating existing cybersecurity initiatives of the World Economic Forum
- Establishing an independent library of cyber best practices
- Helping partners to enhance knowledge on cybersecurity
- Working towards an appropriate and agile regulatory framework on cybersecurity
- Serving as a laboratory and early-warning think tank for future cybersecurity scenarios

Q.25) Inclusive Development Index (IDI) is published by

- a) UNDP
- b) World Bank
- c) World Economic Forum
- d) None of the above

Q.25) Solution (c)**Inclusive Development Index (IDI)**

- The Inclusive Development Index (IDI) 2018, a report published by the World Economic Forum, ranked India 62 out of the total 74 emerging countries
- The index namely has three pillars of growth for global economies: growth and development; inclusion, intergenerational equity and sustainability.

- The report says that the IDI is 'designed as an alternative to GDP that reflects more closely the criteria through which people evaluate their respective countries' economies'.

Q.26) Consider the following statements about 'office of profit'

1. The origin of this term can be found in the English Act of Settlement, 1701.
2. If an MLA or an MP holds a government office and receives benefits from it, then that office is termed as an "office of profit"
3. The word 'office' has not been defined in the Constitution, but is defined in the Representation of the People Act of 1951.

Select the correct code:

- a) 1 and 2
- b) 2 Only
- c) 2 and 3
- d) 1, 2 and 3

Q.26) Solution (a)

Office of Profit

What are the basic criteria to disqualify an MP or MLA?

Basic disqualification criteria for an MP are laid down in Article 102 of the Constitution, and for an MLA in Article 191.

They can be disqualified for

- Holding an office of profit under government of India or state government
- Being of unsound mind
- Being an undischarged insolvent
- Not being an Indian citizen or for acquiring citizenship of another country

What is 'office of profit'?

- It is a position in the government which cannot be held by an MLA or an MP. The post can yield salaries, perquisites and other benefits.
- The origin of this term can be found in the English Act of Settlement, 1701.

- Under this law, "no person who has an office or place of profit under the King, or receives a pension from the Crown, shall be capable of serving as a member of the House of Commons."
- This was instituted so that there wouldn't be any undue influence from the royal household in administrative affairs.
- If an MLA or an MP holds a government office and receives benefits from it, then that office is termed as an "office of profit".
- A person will be disqualified if he holds an office of profit under the central or state government, other than an office declared not to disqualify its holder by a law passed by Parliament or state legislature.
- The word 'office' has not been defined in the Constitution or the Representation of the People Act of 1951.
- But different courts have interpreted it to mean a position with certain duties that are more or less of public character.

Why should an MLA or an MP not hold an office of profit?

- According to Articles 102(1)(a) and 191(1)(a) of the Constitution, an MP or MLA is barred from holding an office of profit as it can put them in a position to gain a financial benefit. "A person shall be disqualified for being chosen as, and for being, a member of either House of Parliament, (a) if he holds any office of profit under the Government of India or the Government of any State, other than an office declared by Parliament by law not to disqualify its holder," says the law.
- Under the Representation of People Act too, holding an office of profit is grounds for disqualification.

What is the underlying principle for including 'office of profit' as criterion for disqualification?

- Makers of the Constitution wanted that legislators should not feel obligated to the Executive in any way, which could influence them while discharging legislative functions.
- In other words, an MP or MLA should be free to carry out her duties without any kind of governmental pressure.

What do parliamentary secretaries do?

- In the Westminster system, a parliamentary secretary is a Member of Parliament who assists a Minister in their duties.
- Prime Ministers and Chief Ministers usually appoint parliamentary secretaries from their own parties.

