M S Shashank

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DAILY NEWS DECODING

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TODAY'S EDITORIAL ANALYSIS

- ✓ *Energy imports must be slashed*
- ✓ *What a new study says about microplastics*
- ✓ *No 'sayonara' for Japan in Indo-Pacific geopolitics*
- ✓ *A Bold Digitization Initiative, the SMART PDS Scheme*
- ✓ *Same-sex marriages: A matter for Parliament*
- ✓ *Weather vagaries. Wheat woes*

1. Energy imports must be slashed

GS III–Indian Economic development

Context:

India's energy imports are projected to surge by 43.6% in FY2023, which would significantly impact the country's import bill. **Energy imports, including coal, coke, crude oil, LNG, and LPG,** account for a significant portion of India's merchandise import bill, representing 36.6%.

If the current import growth rate persists, the **energy import bill will soon surpass that of all remaining merchandise imports, with projections indicating that it could exceed USD 1 trillion by December 2026**, a troubling prospect.

Additionally, the import value of items required for clean energy such as **photovoltaic cells** and **Lithium Ion batteries** would further exacerbate the situation.

However, **India can cut its crippling import bill by boosting exploration of local oilfields** and enhancing coal output.

What are the Reasons behind an Increase in the Price of Energy Sources?

Disruption of Oil Supply Chains:

- The **Covid-19 pandemic** and **geopolitical tensions** (US

sanctions on Russia post the **Russian invasion of Ukraine**) **have led to disruptions in the global oil supply chain**, which has increased demand for alternative energy sources.

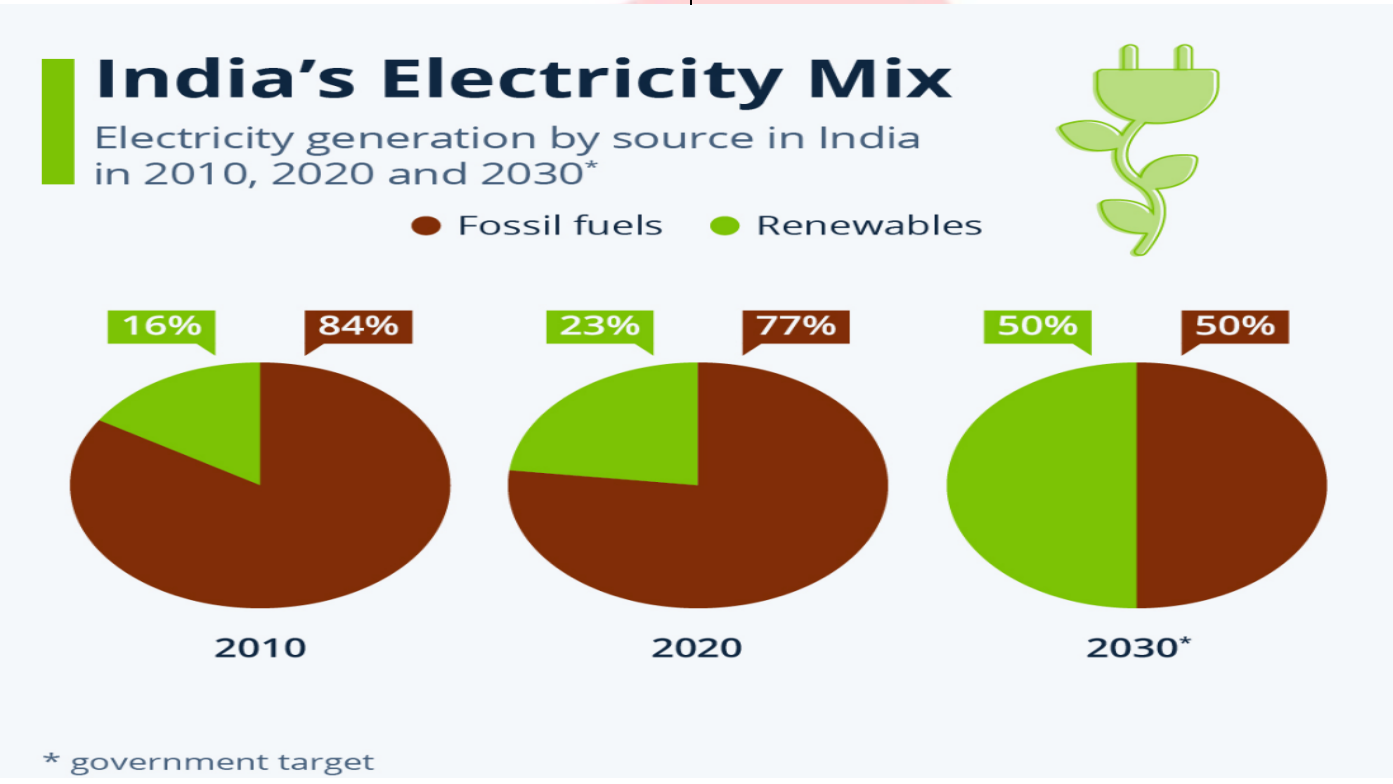
Weakening of the US-Saudi Arabia 1970s Deal:

- The **United States and Saudi Arabia reached a deal in the 1970s** that allowed the US to rely on Saudi oil in exchange for security guarantees.
- However, the **US is now pursuing energy independence** and is reducing its reliance on Saudi oil.

High Inflation in Developed Countries:

- High inflation in developed countries can certainly lead to a surge in the price of oil, coal, and other energy sources.
- This can induce price increase of the oil all over the world including India and affects its buying power.

- **US Effort to Create Alternate Supply Chains excluding China:**
  - The US efforts to create alternate supply chains excluding China can surge the prices of energy sources as **China is a major producer and exporter of many critical minerals** and metals, such as **rare earth elements.**
- **China is also a significant consumer of energy**, particularly fossil fuels like coal and oil.



What are the Challenges in Tackling India's Energy Crisis?

Limited Energy Resources:

- India has **limited energy resources such as coal, oil, and gas**, and it depends on imports to meet its growing energy demands.
- The estimated values of **petroleum imports for FY 2023 are USD 210 billion**. This includes crude oil with an import value of USD 163 billion and LNG and LPG of USD17.6 billion and USD 14 billion, respectively. Crude imports grew by 53% over the last fiscal.
- The country's coal reserves are of low quality and there are significant environmental concerns associated with their extraction and use.
- As a result, India is looking for alternative sources of energy, such as **solar, wind, and hydro power.**

Poor Energy Infrastructure:

- India's energy infrastructure is **inadequate to meet the growing demand for electricity.** It suffers from frequent power cuts and blackouts, which can last for hours or even days.
- A **rapid addition of solar farms has helped India avert daytime supply gaps**, but a shortage of coal-fired and hydropower capacity risks exposing millions to widespread outages at night.
- **India's power availability in "non-solar hours" in April, 2023 is expected to be 1.7% lower than peak demand.**
- The **poor energy infrastructure is also affecting the development of the country's rural areas,** where many people do not have access to electricity.

Inadequate Investment:

- **India's energy sector requires significant investment to improve its infrastructure** and expand its energy capacity.
- However, the government and private sector are not investing enough in the energy sector.
- **India's low per capita income and high poverty rates** also make it difficult for people to afford clean energy sources.

- **Political and Regulatory Barriers:**
  - **India's energy sector is heavily regulated,** and there are significant political barriers to energy sector reforms.
  - India has been slow to adopt renewable energy policies, and there is a lack of coordination among various government agencies and ministries.

Climate Change:

- India is **one of the largest emitters of greenhouse gases in the world**, and its energy sector is a major contributor to these emissions.
- **Climate change** is also affecting the country's energy infrastructure, as extreme weather events such as **floods** and **droughts** are becoming more frequent and severe.

What Should be the Way Forward?

Invest in Domestic Exploration and Production:

- India must **evaluate its options to increase local production, including developing Category II sedimentary basins that have known hydrocarbon reserves** but no commercial production yet. The government should provide incentives to attract investment in these areas.
- India has 26 sedimentary basins divided into the following four categories:
  - **Category I (7 Basins):** Established commercial production
  - **Category II (3 Basins):** Known accumulation of hydrocarbons but no commercial production as yet.
  - **Category III (6 Basins):** Indicated hydrocarbon reserves considered geologically oil-bearing
  - **Category IV (10 basins):** Uncertain potential may be prospective by analogy with similar basins worldwide; and deep-water reserves.

- **Improve Coal Quality:**
  - India **should focus on improving the quality of**

domestic coal to reduce the reliance on imports. This can be **achieved by investing in technology** to increase the calorific value of coal and reduce the ash content.

- **Encourage Renewable Energy:**
  - India has **vast potential for renewable energy sources** like solar, wind, and hydro.
    - The **government should encourage the development of renewable energy projects** through incentives and subsidies.
    - **Carbon pricing can help to incentivize the use of renewable energy** by putting a price on carbon emissions.
- **Develop Energy Infrastructure:**
  - India **must invest in developing its energy infrastructure to ensure efficient transmission** and distribution of energy.
  - This can be achieved by upgrading the existing infrastructure and building new power plants, pipelines, and transmission lines.
- **Reducing Coal Imports:**
  - India **must also focus on reducing coal imports.** There's not enough scope for reducing the import of coking coal as India does not have high-quality reserves but the import of thermal coal can be managed.
  - **Coal imports have increased mainly because of demand from new power plants** that use only high-grade imported coal.
- The **need to import arises because of the low quality (high ash content of 30-40%) of Indian coal,** the inability of Coal India Ltd. to increase production and use technology to increase the calorific value of coal, and within-country transport restrictions.

2. What a new study says about microplastics

GS III – Environment and Ecology

Context:

- According to a new study, an estimated 170 trillion plastic particles weighing about 2 million metric tons are currently afloat in the oceans across the world which added that if no urgent action is taken then this number could nearly triple by 2040
- As per report, the situation is much worse than expected. In 2014, it was estimated that there were 5 trillion plastic particles in the ocean. Now, less than ten years later, we're up at 170 trillion

What is microplastic and concern related to it:

- Plastic is the most prevalent type of marine debris found in our ocean and Great Lakes. Plastic debris can come in all shapes and sizes, but those that are less than five millimeters in length (or about the size of a sesame seed) are called "microplastics."
- Microplastics are particularly harmful to the oceans as they don't readily break down into harmless molecules and adversely affect the health of marine organisms, which mistake plastic for food.
- Moreover, these particles can trigger loss of biodiversity and threaten ecosystem balance.

What are the findings of the new study?

- For their analysis, the researchers examined surface-level plastic pollution data from nearly 12,000 ocean stations in six major marine regions, from 1979 to 2019.
- Then they combined this with data they collected during their own expeditions
    - They found that from 1990 to 2005, the number of plastic particles more or less fluctuated. One of the reasons for this could be due to the effective implementation of important policy measures at the time.
    - "In the 1980s and 90s, there were some international policies, like MARPOL Annex 5 that enforced laws against dumping trash at sea. They were powerful laws that

were enforceable and were preventative

  - However, things went downhill soon after as the world began producing much more plastic than ever before. "Since 2005 we have produced more than 5,000,000 tons of new plastic into the world, and with more plastic there is more pollution," said Erdle, adding that the older rules weren't enough to thwart the rising plastic pollution.

- Therefore, as the study pointed out, the concentration of plastic particles including microplastics in the ocean has skyrocketed in the oceans since the mid-2000s, and it continues to increase.

- Researchers further mentioned that if the world fails to take any drastic action about the issue, there will be a 2.6-fold increase in plastic flowing into aquatic environments by 2040.

How do microplastics impact the oceans and marine life?

- Several recent studies have detected microplastics in marine organisms, from phytoplankton to whales and dolphins, which might prove hazardous for them.

- According one of the co-authors of the new paper, the ingestion of such particles can cause "mechanical problems, such as lacerations and blockages to internal systems."

- He further added, "Ingested plastics can cause chemical problems by leaching absorb chemicals into organisms.

  - As microplastics absorb many hydrophobic compounds, like DDT, PCBs and other industrial chemicals, and evidence shows they can be released when ingested."

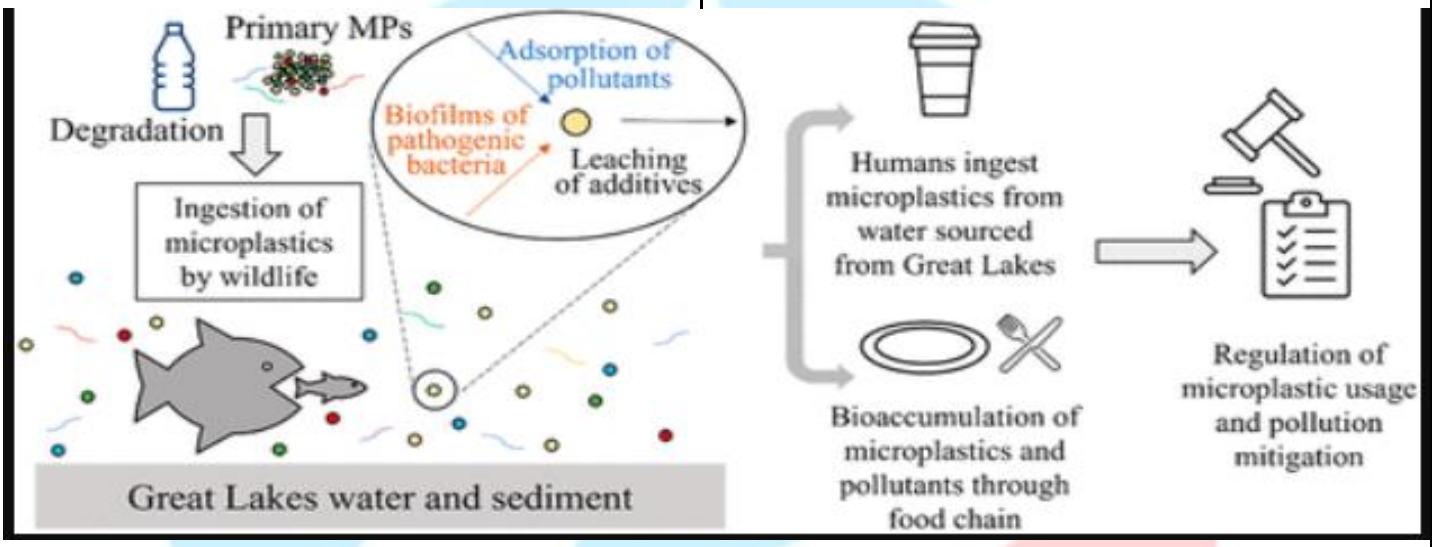
- Not only this, but microplastics can also disrupt the carbon cycle of the oceans.

- Normally, phytoplankton absorbs carbon and are eaten by zooplankton, who excrete the carbon in the form of faecal pellets that sink to the sea floor.

- Once these carbon-containing pellets reach there, "the carbon can be remineralized into rocks —

preventing it from escaping back into the atmosphere.

- But if zooplanktons consume microplastics, their faecal pellets sink at a much slower rate, which means they are more likely to break apart or be eaten by other animals "making it less likely that the carbon will reach the seafloor and become permanently sequestered"



What can be done to limit plastic pollution in oceans?(Way forward)

- Researchers of the latest study suggested that there is an urgent need to implement a global resolution to limit the production of single-use, throwaway plastic
- "So far this century the policies trying to address plastic pollution have been weak, and they have been voluntary and focused on recycling and cleanup. They just don't work very effectively.
- There is need for a strong UN treaty on plastic pollution that is enforceable and not only limited to focused on Clean up and recycling but also working on preventive measures.
- Cities need to be responsible for managing their waste so it does not leave their territory. There is need to reduce the number of chemical additives in new plastic products.
- Recycled plastic should be promoted and to be used in new products. The industries that make plastic should be committed to buying recycled plastic. They have to legally be required to put at least 75% recycled plastic in any new product," Erdle said.

3. No 'sayonara' for Japan in Indo-Pacific geopolitics

GS-II – International Relations

Context -

- The visit by the Japanese Prime Minister, Fumio Kishida, to India, in March 2023, during which he engaged with his Indian counterpart, Narendra Modi, on global and bilateral issues, focused on cooperation between the G-7 and the G-20 (Japan and India hold their presidencies, respectively).

Japan's New Plan for FOIP:

- Besides this, Mr. Kishida also unveiled "Japan's New Plan for a Free and Open Indo-Pacific" (FOIP) and exchanged views about deepening the "Japan-India Special Strategic and Global Partnership".



- The New Plan for the FOIP lays stress on the need to uphold the ***international rules-based order*** and respect each other's territorial sovereignty. Japan's FOIP clearly shows that Japan wants to reinforce the idea that it has been the main champion of

the FOIP concept, and Mr. Kishida's speech underlined that given the current geopolitical landscape with the ongoing issues of:

1. Russia-Ukraine war
2. Growing Chinese assertiveness in the South China Sea (SCS) and East China Sea (ECS)
3. Chinese aggression at Indian Line of Actual Control (LAC)
4. Violating territorial sovereignty (over sea and airspace) of Taiwan

Challenges before the Indo-Pacific (IP) Region:

- Japan's new policy focuses on the numerous challenges facing the Indo-Pacific such as the Ukraine war, food security, and cyber space in addition to issues such as ensuring the freedom of the seas, and connectivity among others.
- Another challenge which has been highlighted is the lack of a united stand on "what the international order should be" — the differing position of countries on the Russia-Ukraine war has brought this issue to the fore.
- But there is a firm belief that the FOIP will be able to work with and embrace diverse voices and create an atmosphere of cooperation and collaboration rather than division and confrontation.
- For attaining this atmosphere of cooperation, ***'rule-making through dialogue'*** should be encouraged. The fact that Japan under the FOIP should work alongside other like-minded countries in the region has been mentioned, with India being billed as an 'indispensable' partner.

The foundation of FOIP:

- There is a realisation that Japan needs to do much more in the region, and towards this, **'four pillars of cooperation'** under the new FOIP have been outlined:

1.Principles for peace and rules for prosperity

- Vulnerable countries usually suffer the most if there is an erosion in the rule of law. Therefore, Japan wants to engage in economic

development programmes such as promoting the implementation of the **G-20 Principles for quality Infrastructure Investment.**

2. **Addressing challenges in an Indo-Pacific way**

- Mr. Kishida talked about "expansion of cooperation for the FOIP by incorporating realistic and practical projects in a wide range of areas, such as climate change, food security, global health and cybersecurity".

3. Multi-layered connectivity

- Under the third pillar, the three areas identified for introducing more such projects are

1. Southeast Asia
2. South Asia
3. South Pacific/Pacific Island countries.

- Japan has made a new commitment of $100 million towards the **Japan-ASEAN Integration Fund**; it will promote the Bay of Bengal-Northeast India industrial value chain concept in cooperation with India and Bangladesh, and the new Palau International Airport Terminal project (an archipelago in the western Pacific Ocean) supported by Japan has also taken off.

4.Extending efforts for security and safe use of the "sea" to the "air".

- Japan will help in strengthening the capabilities of maritime law enforcement agencies in other countries. Towards these objectives, Japan will implement the "strategic use of Official Development Assistance (**ODAs**)", revise the Development Cooperation Charter and set forth guidelines for ODA for the next 10 years.

Conclusion:

- A Japan deeply invested in Indo-Pacific stability and prosperity is good news indeed for India and the wider region.

4. A Bold Digitization Initiative, the SMART PDS Scheme

GS III – Indian Economy

Context:

The Targeted Public Distribution System (TPDS), the largest beneficiary-centric programme in the nation, will be modernised and digitalized as part of the ambitious Smart Public Distribution System (Smart PDS) initiative, which was started by the Indian government.

Major highlights

- The Department of Food and Public Distribution's (DFPD) Smart PDS initiative aims to implement data-driven decision-making to address the lack of reliable and timely data.
- The programme uses information obtained from the distribution of food grains to determine the beneficiaries' consumption and travel habits.
- This information can be used to deliver vital central welfare programmes to society's most vulnerable groups as efficiently as possible.
- The standardisation of PDS operations through the use of technology and integration with FCI, CWC, the transport supply chain of rail and road, the Ministry of Education, Women and Child Development, and UIDAI will also be made possible by the use of data analytics and other ICT tools and technologies.
- The use of AI in conjunction with convergence and integration can truly change the game for both citizens and governments by bringing accountability to all programmes.

Significances:

- Targeted delivery: One of the main advantages of the SMART-PDS programme is that it guarantees the targeted delivery of necessities to society's most vulnerable groups. The programme identifies the most vulnerable households in each state and distributes resources accordingly by utilising data from various government schemes and programs, such as the Socio-Economic Caste Census (SECC).
- Prevents theft and leakages: The SMART-PDS programme makes use of cutting-edge technology, including biometric authentication, digital ration

cards, and electronic point of sale (ePoS) devices, to stop theft and leakages in the public distribution system. (PDS). This guarantees that only legitimate recipients receive the benefits and prevents food grain diversion or black marketing.

- Increases transparency: The SMART-PDS plan encourages distribution system transparency by making information about resource distribution and food grain distribution available to the general public. Beneficiaries will find it simpler to access information about their rights as a result, and they will be able to hold government agencies responsible for any inconsistencies or delays in the provision of benefits.
- Saves money and resources: The programme makes sure that supplies are distributed in accordance with actual needs, minimising the wastage of food grains and other resources. As a result, the government can better allocate its resources based on the actual needs of the beneficiaries, which also helps to reduce costs.
- Improves accountability: The SMART-PDS programme improves accountability by giving recipients a place to air their complaints and grievances. The plan also enables monitoring and evaluation of the distribution system, which makes it simpler for authorities to identify and address any flaws.

What are the difficulties with Smart-PDS?

- Technological obstacles: The technological obstacle is one of the main problems with the SMART-PDS system. The scheme heavily relies on technology, including electronic point of sale (ePoS) systems, digital ration cards, and biometric authentication. However, it might be difficult for many residents of rural and remote areas to access their entitlements because they are unfamiliar with these technologies.
- Lack of awareness: The beneficiaries' lack of awareness of the SMART-PDS programme presents another difficulty. Many beneficiaries might not be aware of their rights or how to use them, which could result in underuse of the programme.
- Infrastructure issues: The SMART-PDS system needs a strong

infrastructure to work properly. However, it may be difficult to implement the scheme effectively in many areas of India where there may not be adequate infrastructure, including internet connectivity, power supplies, and storage facilities.

- Corruption and rent-seeking: These problems persist despite the use of cutting-edge technology in the SMART-PDS plan. Food grains may still be diverted or syphoned off by some officials and middlemen, particularly in regions with lax governance and oversight.

Ration Card for One Nation (ONORC):

- In order to maintain the reforms implemented by the End-to-end Computerization of TPDS Operations scheme and address the main difficulties faced by planners, the Indian government introduced the Integrated Management of Public Distribution System (IM-PDS) scheme.
- The implementation of the One Nation One Ration Card (ONORC), a national portability programme that enables beneficiaries to access their food rations from any Fair Price Shop (FPS) in the nation, is one of the programme's primary goals.
- This programme has been successfully implemented in all 36 States and the District of Columbia, and it is reliably recording more than 3.5 crore portable transactions each month.
- ONORC has so far tallied more than 100 crore portability transactions, including both inter-state and intra-state transactions, since its launch in August 2019 in just four states.

Conclusion:

- The delivery of essential central welfare programmes to the most vulnerable segments of society has undergone a significant transformation thanks to the bold digitization initiative known as the SMART-PDS scheme.
- The SMART PDS scheme's scope clearly extends beyond ration distribution and will enable increased accountability for all government programmes.

5. Same-sex marriages: A matter for Parliament

GS II– Polity and Governance

Context:

- Supreme Court (SC), in Supriyo v. Union of India has referred the matter relating to legalisation of same-sex marriages to a Constitution Bench. Unlike the matter pertaining to decriminalisation of Section 377, which the Central government had left to the Court to decide, the affidavit submitted by it in the present case opposes such legalisation. The Centre's stance has come under fire from sections of civil society, advocates, academics and scholars. Let us examine its line of reasoning.

Bone of contention: evolution of legal position through SC verdicts:

1. In Navtej Singh Johar case of 2018, the Supreme Court (SC) decriminalised homosexuality by striking off parts of Section 377 of the Indian Penal Code (IPC) were held violative of Fundamental Rights of LGBTQ Community. This section which criminalised homosexuality, comes from a colonial era law.
2. In Naz Foundation vs. Govt. of NCT of Delhi case (2009), high court (HC) of Delhi had held Section 377 of the IPC as unconstitutional.
3. In Suresh Kumar Koushal Case (2013), SC overturned the previous judgment by Delhi High Court (2009) that decriminalised homosexual acts and criminalised homosexuality once again.
4. In Justice K.S. Puttaswamy vs. Union of India (2017) SC ruled that Fundamental Right to Privacy is intrinsic to life and liberty and thus, comes under Article 21 of the Indian constitution.SC declared that bodily autonomy was an integral part of the right to privacy. This bodily autonomy has within its ambit sexual orientation of an individual.

Recent developments:

- The central government recently seems to be challenging the progressive verdicts of judiciary. The core of the Centre's argument is that same-sex marriage does not find any recognition within Indian traditions, ethos, culture and the societal conception of the

institution of marriage. It has been argued that marriage is a sacrament between a biological male and a biological female to form a holy union to conceive children.

- Consequently, it is argued that Parliament, and not the Court, is the right institution to debate and decide if same-sex marriages should be legalised.

Stance of the Government

- Since it is unlikely that the Court will acquiesce to or reject the Centre's stance without evaluating the same on its own merits, it is crucial to understand the foundational basis for this argument. The Centre's stance, thus, finds a backing in four interrelated sub-arguments.

Social consensus:

- he question of same-sex marriage has the potential to alter how we conceive a family — the building block of society. Most conventional definitions of marriage see it as a socially accepted union of individuals for procreation. While same-sex marriages are not a threat to this understanding, they demand a nuanced alteration/adaptation of it. This requires deliberation at a social level first.

Personal laws:

- The current legislative framework promotes the conventional understanding of marriage. Marriages in India are administered through a complex legal structure with a religious genesis. They are consequently governed by personal laws including:

1. Hindu Marriage Act, 1955
2. Parsi Marriage and Divorce Act, 1936
3. Christian Marriage and Divorce Act, 1957
4. Muslim Personal Laws

- All marriage laws, except for the Special Marriage Act (SMA) of 1954, recognise marriages between a man and a woman. Parliament enacted SMA to facilitate inter-religious marriages. Therefore, the legislative intent behind the use of gender-neutral language in Section 4 of the SMA cannot be presumed, in and of itself, to be in favour of same-sex marriages either.

Role of procreation:

- As distinct from the constitutional morality adopted in the Navtej Johar case, which recognises consummation for

purposes other than procreation, religious and societal morality still conceptualises intercourse as a procreative activity. This is why various laws pertaining to marriage mandate the consummation of marriage.

- This also answers the logical question of whether a marriage subsisting between a couple unable to procreate is a challenge to the idea of a valid marriage. In the legal conception of marriage, procreation remains a basic requirement.
- The same can be gauged from the above-mentioned provisions, which make marriages voidable on the basis of impotence and lack of consummation. Consequently, the parties to the marriage would not be labelled as 'divorcees' but merely as 'unmarried.'

Evolving nature of relationships:

- Conventional conceptualisations of family and marriage are facing evolutionary challenges. The idea of live-in relationships is just as ideationally confrontational to marriage as same-sex marriages. Even though they are judicially recognised, live-in relationships are not equated to marriage under the law. The social acceptability of such relationships remains in a state of limbo.
- The apprehensions of the Centre regarding the conceptual alteration of the family unit, therefore, are not actually as regressively homophobic as they may seem prima facie. Instead, they are generalised to a broader social context. Much like live-in relationships, the issue of legal recognition of same-sex unions too requires a broader debate in society and the legislature.

Conclusion:

- It is not our case that the decisions of same-sex couples to reside together in a union do not deserve legal recognition. The rights issues are substantial and must be addressed immediately. Nevertheless, given the implications of recognising same-sex unions as a couple, the push to formalise the institution of same-sex unions must come from representative bodies such as Parliament.

6. Weather vagaries. Wheat woes

GS I– **Geography- Agriculture**

Context:

- The unseasonal spell of rains and even hailstorms in some parts of the country in the second half of March have aggravated concerns about the rabi harvest, especially wheat.
- Wheat, grown on almost 34 million hectares, is the second biggest staple after rice.
- the Government of India (GoI) is still figuring out the extent of damage to rabi crops. What we know is that wheat at a mature stage, and the country was expecting a bumper harvest of 112 million metric tonnes (mmt). This hope may not materialise fully now

Major concern related to crop damage:

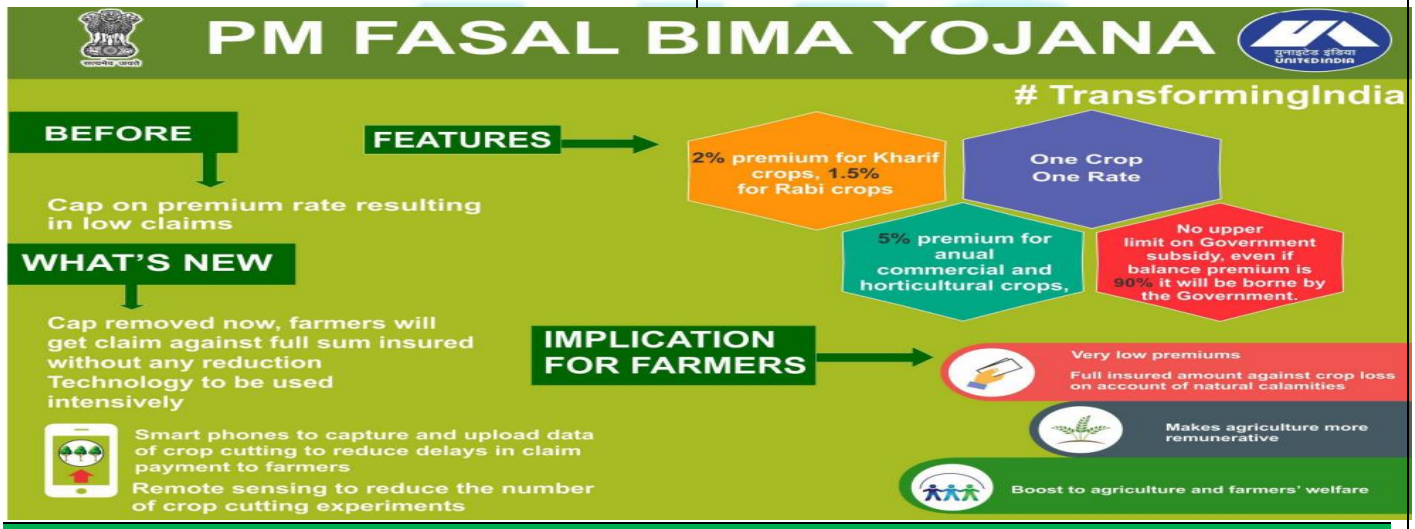
- The first key issue now is to know the extent of damage, both in terms of quality and quantity of wheat and other crops.
- And second, what policy actions can be taken to tide over this difficulty for the farmers as well as for ensuring food security at the national level.
- Punjab seems to have been hit a bit harder than many other states. The Punjab Agriculture Department has been looking at a 10-15 per cent yield loss on about 40 per cent of the wheat area that seems to have been adversely impacted by rains.
- However, UP being the highest producer of wheat and then Madhya Pradesh also produces about 18mmt of wheat, and Haryana and Rajasthan about 12 and 11 (mmt) respectively, and
  - given the widespread nature of wheat cultivation, the chances are that overall wheat production in India will not suffer dramatically, even if the damage is a little more in Punjab than in other states
- But the quality loss (shrivelled grain, lustre loss, discolouration, etc), however, is likely to be more than the quantity loss.

How does one compensate the farmers for their losses (crop quantity and quality)?

- The best policy instrument for these types of weather-related damages, be it unseasonal rains, hails or heat waves, is the PM-Fasal Bima Yojana (PMFBY).
- This was a major initiative that the Modi government launched

after two successive droughts of 2014-15 and 2015-16.

- Under this scheme, farmers bear only 1.5 per cent premium of the sum insured for rabi crops while the rest of the premium is equally shared between the Centre and the states as a subsidy on total premium.
- Over the last six years, farmers paid a premium of about Rs 25,186 crore but received claims worth Rs 1,25,662 crore (as on Oct 31, 2022). There can't be a better deal than this for farmers.
- Issue with PMFBY:
  - Still, Andhra Pradesh, Bihar, Gujarat, Telangana, Jharkhand and West Bengal opted out of the scheme citing "financial constraints".
  - Punjab persistently opposed and never implemented the scheme. Now is the time for them to think and join this PM-FBY. Else, they should be ready to shell out money from their own budget to compensate farmers for their losses.
  - States need to remember that the frequency and intensity of such events is likely to increase in the face of worsening climate change.
- Along with it, PM-FBY needs to be made smart and transparent with the application of modern technologies to assess the damages.
  - Drones and LEOS (Low Earth Orbit Satellites) with all weather stations spread all over the country is the way to go. The patwari system is not fool-proof and is ridden with corruption.
  - This does not give confidence to reinsurers, which are critical players in this game, and therefore, the premium remains high.



Will it impact the food security of nation?

- For food security, Food Corporation of India (FCI) can relax quality specifications for its procurement operations with a view to meet its target of 34mmt.
- GoI can also help by giving a bonus of say Rs 100 to 150/quintal to farmers to sell it to FCI. This would ensure enough buffer with the FCI.
- If it still finds that the quantity loss is more than expected and the procurement is much below the target, it can lower import duty from 40 per cent to say 10 per cent, and allow import of wheat
- Last year (FY23), India exported more than 5mmt of wheat and wheat flour despite a ban on wheat exports. Luckily, the global prices have declined sharply over the last one year (see graph), which offers a good opportunity for GoI to build its buffer.
- FCI thus has the flexibility to substitute rice for wheat in its public distribution system (PM-Garib Kalyan Anna Yojana) wherever feasible, or even go a step further and give the option of direct cash transfers.

Conclusion:

- There is need for right policy instruments, and well in time, both the farmers' interests as well as the national interest of ensuring food security to its people can be adequately safeguarded
- Once these steps are taken, even it will help RBI for controlling the retail price inflation of wheat, which was hovering at 25 per cent in February, can be brought down to less than 10 per cent in April and will help in controlling the food inflation
- In order to ensure the income safety to farmers, more farmers need to be included under the PMFBY.