



PHD Research Bureau
PHD Chamber of Commerce and Industry



Decisions taken by the Union Cabinet

- **Cabinet approves Memorandum of Understanding between Permanent Mission of India to the WTO, Centre for Trade and Investment Law (Indian Institute of Foreign Trade) and Centre for Trade and Economic Integration (The Graduate Institute, Geneva)**

The Union Cabinet, chaired by Hon'ble Prime Minister Shri Narendra Modi, has approved the signing of a Memorandum of Understanding (MoU) between Permanent Mission of India to the WTO (PMI), Centre for Trade and Investment Law (CTIL) of the Indian Institute of Foreign Trade, and Centre for Trade and Economic Integration (CTEI) within The Graduate Institute of International and Development Studies, Geneva.

Benefits:

The MoU with CTEI of The Graduate Institute of International and Development Studies, Geneva will provide valuable academic and research opportunities to the employees of CTIL and the Department of Commerce in the field of international trade and investment law. In addition, capacity-building programmes or activities will be carried out under the MoU to enhance the understanding of the DOC officials, CTIL researchers and academics on contemporary issues of international trade and build support for India's positions in international trade and investment law.

The proposed collaborations under the MoU with CTEI are academic in nature under which the researchers and academicians from India, including employees from CTIL and Department of Commerce and other government agencies would benefit from capacity-building and research-oriented activities. This would be beneficial to formulating India's positions on various issues on international trade negotiations and dispute settlement.

Details:

The collaboration between academicians, practitioners, jurists, policy makers, and students from India, Switzerland and other countries would help create a technical and nuanced understanding of emerging and new areas of international trade and investment law and related disciplines. The MoU will remain in force for three years.

- **Cabinet approves the Memorandum of Understanding between the Indian Council of medical Research (ICMR), India and the Foundation for Innovative New Diagnostics**

(FIND), Switzerland

The Union Cabinet, chaired by Hon'ble Prime Minister Shri Narendra Modi, was apprised of a Memorandum of Understanding signed between the Indian Council of Medical Research (ICMR) and Foundation for Innovative New Diagnostics (FIND), Switzerland to strengthen the relation within the framework of the international scientific and technological collaboration and to promote cooperation in fields of mutual interest. The MoU has been signed in February'2021 by India.

Benefits:

This MoU will further strengthen relations between India and the Switzerland within the framework of inter-national scientific and technological co-operation in fields of mutual-interest.

Financial Implications:

ICMR is committed to make available funding up to \$100,000 USD while FIND will make available funds up to \$ 400,000 USD to local partners and researchers identified through Request for proposal (RFP).

Background:

ICMR promotes biomedical research in the country through intramural and extramural research. FIND is an independent non-profit organisation created under Section 8 of the (Indian) Companies Act, 2013.

- **Cabinet approves Memorandum of Understanding (MoU) between India and Bangladesh on cooperation in the field of Disaster Management, Resilience and Mitigation**

The Union Cabinet, chaired by Hon'ble Prime Minister Shri Narendra Modi, was apprised of the Memorandum of Understanding (MoU) signed on March, 2021 between the National Disaster Management Authority (NDMA), Ministry of Home Affairs, the Republic of India and the Ministry of Disaster Management and Relief, People's Republic of Bangladesh on Cooperation in the field of Disaster Management, Resilience and Mitigation.

Benefits:

The MoU seeks to put in place a system, whereby both India and Bangladesh will be benefited from the Disaster Management mechanisms of each other and it will help in strengthening the areas of preparedness, response and capacity building in the field of Disaster Management.

Salient features of the MoU :

1. Extend mutual support on the request of either Parties at the time of large scale disaster

(Natural or human induced) occurring within their respective territories, in the field of relief, response, reconstruction and recovery.

2. Exchange relevant information, remote sensing data and other scientific data and share experience/best practices of disaster response, recovery, mitigation, capacity building for ensuring resilience, etc.
 3. Extend cooperation in the field of advanced information technology, early warning systems, remote sensing & navigation services and expertise for disaster preparedness, response and mitigation and more towards real time data sharing.
 4. Support training of officials in the field of Disaster management.
 5. Conduct Joint Disaster Management Exercises bilaterally between both the countries.
 6. Share standards, latest technologies and tools for creating Disaster Resilient Communities.
 7. Exchange publications and materials as textbooks, guidelines in the field of Disaster Management and may conduct joint research activities in the field of Disaster management, Risk Reduction and Recovery.
- **Cabinet approves Memorandum of Understanding between the Indian Council of Medical Research (ICMR), India and the GARDP Foundation on Antimicrobial Resistance Research and Innovation, Switzerland**

The Union Cabinet, chaired by Hon'ble Prime Minister Shri Narendra Modi, was apprised of a Memorandum of Understanding signed between the Indian Council of Medical Research (ICMR), India and the GARDP Foundation on Antimicrobial Resistance Research and Innovation to strengthen the relations within the framework of the international scientific and technological collaboration and to promote cooperation in fields of mutual interest. The MoU was signed by India in March'2021.

Benefits:

This MoU will further strengthen relations between India and the Switzerland within the framework of inter-national scientific and technological co-operation in fields of mutual-interest.

Financial Implications:

The ICMR-GARDP Collaborations will include establishing a strategy and modalities for financial and in-kind contributions by both Parties to ensure the success of the joint objectives. Funding may be provided directly to the other Party or to the third parties engaged in Projects. All financial and in-kind contributions will be subject of separate legally binding agreements.

Background:

ICMR promotes biomedical research in the country through intramural and extramural research. GARDP is a not-for-profit research and development organisation that addresses global public health needs by developing and delivering new or improved antibiotic treatments, while endeavouring to ensure their sustainable access.

- **Cabinet approves Memorandum of Understanding between India and United States of America on cooperation in the field of Geology**

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has given its approval for signing the Memorandum of Understanding between Geological Survey of India (GSI), Ministry of Mines, the Government of the Republic of India, and the Florida International University (FIU) board of trustees on behalf of its Department of Earth and Environment, College of Arts, Sciences and Education, United States of America on cooperation in field of Geology.

The identified area of cooperation between the two Participants will be as follows:

- a. Development of the geological knowledge, research regarding geologic and tectonic environment of post collisions magmatism in India-Asia collisional margin, geologic history and tectonics of the Eastern Himalayan Syntaxis.
- b. Developing cooperative projects in the fields of regional geological, geochemical, petrological and multi-isotopic studies related to the evolution of post collisional magmatic belts (Ladakh Plutons).
- c. Exchange of information on technology and geoscientific data.
- d. Other areas of mutual interest to be decided upon by the Parties.

Benefits:

The MoU will provide an institutional mechanism between Geological Survey of India (GSI) and the Florida International University (FIU) on cooperation in the field of Geology.

Objectives:

The objectives of the MoU are to understand the geologic and tectonic environment of the generation and emplacement of post-collisional magmatism in India-Asia Collision margin in particular and to construct a model of post-collisional magma genesis in continental collision zones in general and to construct the geologic history and tectonics of the Eastern Himalayan Syntaxis.

The activities involved like exchange of information on technology and geoscientific data; development of the geological knowledge, research regarding geologic and tectonic environment of post collisional magmatism in India-Asia collisional margin, geologic history and tectonics of the Eastern Himalayan Syntaxis; and developing cooperative projects in the fields of regional geological, geochemical, petrological and multi-isotopic studies related to the evolution of post collisional magmatic belts (Ladakh Plutons).

- **Cabinet approves Ratification of Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer for phase down of Hydrofluorocarbons**

The Union Cabinet, chaired by the Hon'ble Prime Minister, Shri Narendra Modi, has given its approval for ratification of the Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer for phase down of Hydrofluorocarbons (HFCs) by India, adopted by the Parties to the Montreal Protocol on October, 2016 at 28th Meeting of the Parties to the Montreal Protocol held at Kigali, Rwanda.

Benefits:

(i) HFC phasedown is expected to prevent the greenhouse gas emissions, helping prevent climate change and would benefit the people.

(ii) The industry producing and consuming Hydrofluorocarbons will be phasing out Hydrofluorocarbons as per the agreed schedule under and transition to non-HFC and low global warming potential technologies.

Implementation strategy and targets:

(i) National strategy for phase down of Hydrofluorocarbons as per the applicable phase down schedule for India will be developed after required consultation with all the industry stakeholders by 2023.

(ii) Amendments to the existing legislation framework, the Ozone Depleting Substances (Regulation and Control) Rules to allow appropriate control of the production and consumption of Hydrofluorocarbons to ensure compliance with the Kigali Amendment will be done by mid-2024.

Major Impact, including employment generation potential:

(i) Hydrofluorocarbons. phasedown is expected to prevent the emission of up to 105 million tonne of carbondioxide equivalent of greenhouse gases, helping to avoid up to 0.5 degree Celsius of global temperature rise by 2100, while continuing to protect the ozone layer.

(ii) Implementation of HFC phase down under the Kigali Amendment through the adoption of low-global warming potential and energy-efficient technologies will achieve energy efficiency gains^ and carbon dioxide emissions reduction - a "climate co-benefit,"

(iii) HFCs phrase down implementation will involve synergies with on-going government programmes and schemes of the Government of India with the objective to maximize the economic arid social co-benefits, besides environmental gains.

(iv) There would be scope for domestic manufacturing of equipment as well as alternative non-HFC and low-global warming potential chemicals to enable the industry to transition to the low global warming potential alternatives as per the agreed HFC phase down schedule. In addition, there would be opportunities to promote domestic innovation for new generation alternative refrigerants and related technologies.

Details:

Under the Kigali Amendment; Parties to the Montreal Protocol will phase down production and consumption of Hydrofluorocarbons, commonly known as HFCs.

Hydrofluorocarbons were introduced as non-ozone depleting alternative to Hydrofluorocarbons (HFCs). While HFCs do not deplete the stratospheric ozone layer, they have high global warming potential ranging from 12 to 14,000, which have adverse impact on climate.

Recognizing the growth in use of HFCs, especially in Refrigeration and Air-conditioning sector the Parties to the Montreal Protocol, reached agreement at their 28th Meeting of the Parties (MOP) held in October 2016 in Kigali, Rwanda to add HFCs to the list of controlled substances and approved a timeline for their gradual reduction by 80-85 per cent by the late 2040s.

India will complete its phase down of HFCs in 4 steps from 2032 onwards with cumulative reduction of 10% in 2032, 20% in 2037, 30% in 2042 and 80% in 2047.

All amendments and adjustments of the Montreal Protocol, prior to the Kigali Amendment have Universal support.

Background:

(i) The Montreal Protocol on Substances that Deplete the Ozone Layer, is an international environmental treaty for protection of the Ozone Layer by phasing out the production and consumption of man-made chemicals referred to as ozone depleting substances (ODS). The stratospheric ozone layer protects humans and the environment from harmful levels of ultraviolet radiation from the sun.

(ii) India became a Party to the Montreal Protocol on Substances that Deplete the Ozone Layer on 19 June 1992 and since then has ratified the amendments to the Montreal Protocol. Though the present approval of the Cabinet, India will be ratifying the Kigali Amendment to the Montreal Protocol for phase down of Hydrofluorocarbons.

(iii) India has successfully met the phase out targets of all the Ozone Depleting Substances as per the Montreal Protocol Schedule

• Cabinet approves implementation of National Mission on Edible Oils – Oil Palm

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has given its approval to launch a new Mission on Oil palm to be known as the National Mission on Edible Oils – Oil Palm (NMEO-OP) as a new Centrally Sponsored Scheme with a special focus on the North east region and the Andaman and Nicobar Islands. Due to the heavy dependence on imports for edible oils, it is important to make efforts for increasing the domestic production of edible oils in which increasing area and productivity of oil palm plays an important part.

A financial outlay of Rs.11,040 crore has been made for the scheme, out of which Rs.8,844 crore is the Government of India share and Rs.2,196 crore is State share and this includes the viability gap funding also.

Under this scheme, it is proposed to cover an additional area of 6.5 lakh hectare (ha.) for oil palm till the year 2025-26 and thereby reaching the target of 10 lakh hectares ultimately. The production of Crude Palm Oil (CPO) is expected to go upto 11.20 lakh tonnes by 2025-26 and upto 28 lakh tonnes by 2029-30.

The scheme will immensely benefit the oil palm farmers, increase capital investment, create employment generation, shall reduce the import dependence and also increase the income of the farmers.

Since 1991-92, many efforts have been made by the Government of India to increase the production of oilseeds and oil palm. The oilseeds production has increased from 275 lakh tons in 2014-15 to 365.65 lakh tons in 2020-21. For harnessing the potential of palm oil production, in the year 2020, an assessment has been made by the Indian institute of Oil Palm Research (IIOPR) for cultivation of oil palm which has given an assessment of around 28 lakh ha. Thus, there is huge potential in oil palm plantation and subsequently production of Crude Palm Oil (CPO). At present only 3.70 lakh hectares is under Oil Palm cultivation. Oil palm produces 10 to 46 times more oil per hectare compared to other oilseed crops and has yield of around 4 tons oil per ha. Thus, it has enormous potential for cultivation.

Keeping the above in view, and also the fact that even today around 98% of CPO is being imported, it is proposed to launch the Scheme to further increase the area and production of CPO in the country. The proposed scheme will subsume the current National Food Security Mission-Oil Palm programme.

There are two major focus areas of the Scheme. The oil palm farmers produce Fresh Fruit Bunches (FFBs) from which oil is extracted by the industry. Presently the prices of these FFBs are linked to the international CPO prices fluctuations. For the first time, the Government of India will give a price assurance to the oil palm farmers for the FFBs. This will be known as the Viability Price (VP). This will protect the farmers from the fluctuations of the international CPO prices and protect him from the volatility. This VP shall be the annual average CPO price of the last 5 years adjusted with the wholesale price index to be multiplied by 14.3 %. This will be fixed yearly for the oil palm year from 1st November to 31st October. This assurance will inculcate confidence in the Indian oil palm farmers to go for increased area and thereby more production of palm oil. A Formula price (FP) will also be fixed which will be 14.3% of CPO and will be fixed on a monthly basis. The viability gap funding will be the VP-FP and if the need arises, it would be paid directly to the farmers accounts in the form of DBT.

The assurance to the farmers will be in the form of the viability gap funding and the industry will be mandated to pay 14.3% of the CPO price which will eventually go up to 15.3%. There is a sunset clause for the scheme which is 1st November 2037. To give impetus to the North-East and Andaman, the Government will additionally bear a cost of 2% of the CPO price to ensure that the farmers are paid at par with the rest of India. The states who adopt the

mechanism proposed by the Government of India would benefit from the viability gap payment proposed in the scheme and for this they will enter into MoUs with the Central Government.

The second major focus of the scheme is to substantially increase the assistance of inputs/interventions. A substantial increase has been made for planting material for oil palm and this has increased from Rs 12,000 per ha to Rs.29000 per ha. Further substantial increase has been made for maintenance and inter-cropping interventions. A special assistance @ Rs 250 per plant is being given to replant old gardens for rejuvenation of old gardens.

To address the issue of shortage of planting material in the country, seed gardens will be provided assistance up to Rs.80 lakhs for 15 ha. in Rest of India and Rs.100 lakhs for 15 ha in North-East and Andaman regions. Further, assistance for seed gardens @ Rs.40 lakhs and Rs.50 lakhs for Rest of India and North-East & Andaman regions respectively. Further Special assistance will be provided for the North-East and the Andaman regions in which special provisions is being made for half moon terrace cultivation, bio fencing and land clearance along with integrated farming. For capital assistance to the industry, for the North East states and Andamans, a provision of Rs 5 core of 5 mt/hr unit with pro rata increase for higher capacity. This will attract the industry to these regions.

- **Cabinet approves revival of North Eastern Regional Agricultural Marketing Corporation Limited**

The Cabinet Committee on Economic Affairs (CCEA), chaired by the Hon'ble Prime Minister has approved a revival package of Rs.77.45 crore (Rs. 17 crore towards fund based support and Rs.60.45 crore towards non-fund based support) for revival of North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC), a central Public Section Enterprises under the administrative control of Ministry of Development of North Eastern Regional (MDoNER).

Benefits:

With the implementation of the revival package, remunerative price to the farmers of NER of their products will be ensured.

Revival package will help NERAMAC to implement various innovative plans namely providing better farming facilities, training to farmers in clusters, organic seeds and fertilizer, post harvesting facilities in order to promote the products of NE farmers in the world market through participation in events, registration of GI products etc.

Revenue of the Corporation will increase and overheads will reduce as a result of VRS and other cost cutting measures and the Corporation will start making profits on sustained basis and its dependency on GoI loan will cease.

Employment generation potential:

After the implementation of revival of NERAMAC, employment will be generated both directly and indirectly in farming sector, projects and events management sector, logistics, sorting and grading and value addition, entrepreneurship and marketing. It is expected that employment will be generated for about 33,000 persons.

Targets:

Revival package will help NERAMAC to implement various innovative plans namely providing better farming facilities, training to farmers in clusters, organic seeds and fertilizer, post harvesting facilities in order to promote the products of NE farmers in the world market through participation in events, registration of GI (Geographical Indications) products etc., promoting FPOs and other growers. Apart from this, focusing in bamboo plantation and bee-keeping, sales through e-commerce taking advantage of other Government of India schemes such as PM Kisan SAMPADA Yojana and Agriculture Infrastructure Fund under AatmaNirbhar Bharat, Krishi Udaan and Kisan Rail, tie-up with farmers and entrepreneurs who are involved in high value organic crops, starting retail outlets under franchise concept under its own brands like "NE Fresh" and "ONE" (Organic North East) and through NAFED, TRIFED etc. is also in the pipeline.

Implementation of revival package will generate employment both directly and indirectly in farming sector, projects and events management sector, logistics, sorting & grading and value addition, entrepreneurship and marketing.

GI tagging and marketing of Organic Products of NER in other parts of the country as well as outside the country, will enhance the export of these products which will improve the economic status of NER farmers.

Please contact for any query related to this mail to Mr Rishabh, Research Associate at rishabh@phdcci.in, with a cc to Dr S P Sharma, Chief Economist | DSG at spsharma@phdcci.in and Ms Kritika Bhasin, Research Officer at kritika.bhasin@phdcci.in, PHD Chamber of Commerce & Industry.

Warm Regards,

Dr S P Sharma

Chief Economist | DSG

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area

August Kranti Marg, New Delhi-110016, India

Tel: +91 49545454

Fax: +91 11 26855450

Email: spsharma@phdcci.in

Website: www.phdcci.in

Follow us on





"Towards Building Aatmanirbhar Bharat"



PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450, 49545451 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

Connect with us:

