

#### 1. Discussion on Civil Aviation Issues

### Participants - Civil Aviation Experts Anu Sharman and Arindham Mazumdar

**Context -** The crisis faced by the civil aviation industry due to the COVID crisis.

#### **Vande Bharat Mission**

- India is bringing back its citizens under this repatriation programme during the past 3-4 months.
- It is one of the biggest evacuation operations.
- 1100 Flights already operated under this programme.
- 50% Inbound passengers from the Middle East and 50% Outbound Passengers have been to countries like the US and Canada.
- Total more than 60.8 lakh passengers brought back by the Indian Airlines.
- Due to COVID most countries shutdown their borders and many Indian were trapped in countries across the world. They were also facing job and employment losses.
- It has been a record Minister of Civil Aviation Hardeep Singh Puri compared it to the 1990 Airlift of 1.7 lakh Indian from Kuwait.
- · Vande Bharat Mission still is continuing.
- Due to growing demand, the Ministry of Civil Aviation roped Indian private carriers like Indigo, Vistara, Air India Express for repatriation.
- Air India has flown across the world like London, New york. They
  have also flown to 30 new destinations like Djibouti which they
  have never flown.
- The mission is being extended and Air India will come up with a new Schedule of repatriation along with private carriers.
- Private Carriers also do Charter flights. It helps them to generate revenue. They are operating Multiple such flights from the Gulf.
- Fares of repatriation flights have been capped by the government so that Indian coming back are not exploited.





- More than 2.15 lakh people have come back to India by Air India as of July 15th. Under Phase 4 of Vande Bharat mission Air India will bring back 1.2 lakh passengers.
- Vande Bharat Flights are being considered as the first step in resuming international flights.

**Air Bubble or Travel Bubble -** It is a special corridor between two countries with limited number of flights. They will be on lines of Vande Bharat Mission where special categories of passengers will be allowed. It is not free for all travel.

- Air France will operate about 28 flights and a US airline which will operate another 18 flights.
- Soon more air bubbles will be created between various countries. However, it will depend on the quarantine rules of other nations.
- India is in negotiation with the US, France and Germany for such bubbles.
- More such Bubbles will depend on the negotiations and stand of other countries on such air travel and COVID crisis.
- There is also an issue with our domestic regulation of air travel in response to COVID. For instance Bangalore imposed lockdown recently.

Currently civil aviation is operating not even at 33% of utilization of flight capacity. We need to reach at least 50 to 55% utilization of existing capacity before thinking about resumption of International Flights.

#### Steps by Air India to tackle its financial pressure

Air India has played a vital role in Vande Bharat with bringing back 60% of passengers under this mission. However, **Air India is suffering a big financial crisis** and needs equity infusion from the government. But the Government may not be in position to supply that equity because of other commitments because of COVID 19. As a result Air India has **announced cost cutting measures like salary cut and leave without pay and job cuts.** 





- Almost all airlines are taking such measures as they have been financial hit by COVID pandemic
- Even before COVID **Air India had huge debt** to service to the tune of 60,000 crore rupees.
- In this scenario such cost cutting measures are justified as without these measures Airline might not be able to survive which will be detrimental for all employees.

#### **Fare Cap**

Fare has been capped since May 25 - there is an **upper limit and lower limit on fares on every route** that Airline operates.

- It is in the interest of both consumers and airlines as in case of low demand if fares fall much below than operating cost then airlines may go bust.
- On the other hand there is concern that without cap airlines could jack up the fares to recover their cost therefore it has been capped.
- Given the current situation this air cap needs to be extended further beyond august as airlines are still operating at less than 33% capacity.

#### **Drones**

- Drones are Unmanned Aerial object and not controlled by Pilot
- 20 thousand manufacturers have registered with the government.
- It is an ambitious project of government for drones under Digi Sky Programme.
- Indian Oil has sought a mission from the government for **pipeline checking**. Also being used for housing project and **project implementation on a real time basis.**
- There is a widespread need to use drones in e-commerce business.
- This industry is facing some key issues. There is concern about the security using drones.





- Drones have been able to control Locust menace in Rajasthan by spraying pesticides from high altitude which could not have been possible otherwise.
- Government is pushing this sector for domestic manufacturing and domestic operations. There exist 16 yellow zones where one can test their drones and show its utility.

# 2. Discussion on Initiatives and Issues in the Agriculture sector during the pandemic

Participants: Dr A.K. Singh (Deputy Director-General, ICAR) and Renu Katharia (AIR Correspondent)

Context: The 3 ordinances were issued by the government on June 5, permitting trade in agricultural produce outside the physical boundaries of APMCs, amending the Essential Commodities act, 1955 and facilitating contract farming.

#### **Background**

- The government has been stressing on **improving the farmer's income** and making farming a profitable profession.
- Several committees have recommended that the APMC acts need to be reformed.
- Economic-Survey 2019-20 presented a case for amending the essential commodities act to realise better prices for farmers.
- The series of steps have been aimed at increasing the livelihood security of farmers and achieve the goal of doubling their income by 2022.

#### **Details**

Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020

 It provides an ecosystem where the farmers and traders enjoy the freedom of choice relating to the sale and purchase of farmers' produce.





• It will **facilitate remunerative prices** through competitive alternative trading channels.

## The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020

- It lays down the basis for contract farming.
- It provides for a national framework on farming agreements that protects and empowers farmers to engage with agribusiness firms, processors, wholesalers, exporters or large retailers for farm services and sale of future farming produce at a mutually agreed remunerative price framework in a fair and transparent manner.

#### The Essential Commodities (Amendment) Ordinance, 2020

- It amends the existing act to remove all agricultural commodities from the list of essential commodities.
- The government believes that it will **attract investment** by the private sector in agriculture.

#### How is this a win-win situation for everyone?

- Essential Commodities Ordinance will help achieve price stability and benefit consumers. The removal of stocking limits would encourage the private sector to invest in storage infrastructure, thus bringing price stability.
- Farmers would get a better price for their produce due to increased competition as a result of one country-one market system.
- The private sector would get an opportunity to enter into contracts with farmers and buying directly from them, thus avoiding middlemen.
- The diversification in crop production could be seen as private sector may enter into contracts for producing commercial crops.
- The participation of the private sector would increase investment in agriculture and supply chain infrastructure, thus helping the government in modernising agriculture.





#### Why is MSP still needed in India?

- MSP provides income security to farmers.
- It ensures food security for a country as big and diverse as India.
   The recent COVID crisis has highlighted the utility of such schemes for food security.
- It serves as a **tool for the government to guide cropping behaviour**. Thus, the government can incentivize farmers to switch to less resource-intensive crops.
- It is important to achieve the objective of doubling the farmer's income by 2022.

#### **Challenges for Indian agriculture**

- Climate variability: Major part of Indian agriculture is still rainfed. Climate change is affecting the rainfall patterns and hence increasing the vulnerabilities of the Indian farmers.
- Resource use efficiency is pretty low in India which results in overexploitation of resources like water.
- Low productivity Productivity is very low in India when compared with countries like China, Vietnam or Brazil. This is largely due to unsustainable land holdings, unscientific and traditional agricultural practices.
- Lack of proper storage facilities and marketing channels.
- Natural events like pest attacks, locust attacks continue to be a threat to Indian farmers.
- One of the major challenges for the government is to make agriculture profitable for farmers. It is key to rural development and elimination of poverty.

#### **Suggestions**

 The government needs to support farmers in moving towards climate-resilient agricultural practices. There needs to be increased investment in research and development of climate-resilient technologies.





- Stress needs to be laid on nutrition security alongside food security. The recent initiative of fortification of food grains is a step in the right direction
- Land reforms are needed to consolidate land parcels so as to improve productivity.
- Investment is **resource-efficient technologies** like drip irrigation, sprinkler irrigation.
- Making credit and technology accessible to farmers.

# 3. Discussion on India-US Strategic Energy Partnership

**Participants- Narendra Taneja**, Energy Expert and **Renu Kataria**, AIR correspondent

#### Context

U.S. Secretary of Energy and Indian Minister of Petroleum and Natural Gas co-chaired a virtual ministerial meeting of the **U.S.-India Strategic Energy Partnership (SEP)** to review progress, highlight major accomplishments, and prioritize new areas for cooperation.

#### **Background**

The present global pandemic has affected the energy demand and global energy growth.

In this backdrop the present discussion explores the scope and possibilities of energy cooperation in crucial India-US comprehensive **global strategic partnership**.

#### **Discussion summary**

#### **U.S. and India- Merit in Energy Partnership**

- Energy is an important factor in India- US bilateral relationship.
- · India Energy deficit and U.S an Energy Superpower-
  - India imports almost 86 percent of its total oil requirement and 50 percent of natural gas uses
  - US has massive oil and gas reserves, large oil companies which are technology providers and has global footprint





- India has one of the lowest per capita energy availability and consumption whereas the U.S. has one of the highest.
- U.S. is the biggest oil producer in world
- · U.S a perfect partner as-
  - It has technology, capital, well established processes and experiences.
  - Moreover it is a country whom we can trust and which understands our requirements.

#### India storing oil in the Strategic Petroleum Reserve

- It will strengthen India's energy security as for India it means securing energy supply
- Need for an increase in nation's strategic oil stockpile as-
  - Very volatile geopolitical location of India.
  - Disturbance in middle east and west asia major source of petroleum for India
  - Need sufficient oil stock in case of emergencies.
  - In Bangladesh 1971 war-couple of major companies refused to sell oil to India
- The best option is to build oil reserves in India as a long term goal.
  - Present reserve- 11 days
  - Short term goal- 40-45 days
  - Long term goal- 90 days
- Petroleum Stock maintenance in U.S a concrete step towards achieving short term goals as -
  - Parking in friendly geography with minimum financial cost
  - Provides the option of physically bringing oil in case of emergencies.
  - The US can ensure the safety of the supply route.
  - The petroleum reserve can also be used as exchange in procuring oil from nearby locations like Singapore

#### India- US Civil Nuclear cooperation

- Westinghouse commercial reactor project at Kovvada represents an important milestone in our strategic relationship.
- Will further the relation between both the countries





- In the next 30-40 years nuclear energy is going to play a crucial role
- As India will be entering the age of electricity, nuclear energy will help secure electricity for our faster economic growth

#### Gender diversity and women empowerment in energy sector

- India and the U.S. committed to addressing gender diversity, gender mainstreaming, and promoting women's entrepreneurship across the energy sector through the Strategic Energy Partnership platform.
- Conventional energy source like coal, oil, gas required going into difficult terrain, underwater, offshore therefore remained male dominated
- Now focus on more technology driven energy sources like nuclear energy and renewables, so women are coming forward in energy sector
- India -US agreement to advance hydrogen research & development and to help scale up technologies will further make energy sector inclusive
- As we progress and technology play an important role, more and more women will be venturing into energy sector and will get an opportunity to sit in cockpit and provide leadership

#### Paving way for further US investment

- India- US strategic energy partnership(SEP) will generate confidence about India in companies of US as well as companies of other western countries
- SEP opens new avenues and will lead to expansion of partnership as investment from capital providers, technology providers, service providers, facilities providers, training providers etc will also start coming in.

#### Modernizing power system

- India has one of the most ambitious renewable energy goals and it is achieving its goals in a time bound manner.
- India is moving ahead towards the age of electricity with high focus on renewables. Therefore, the dependency on oil and gas will be coming down in phased manner.





- It will ensure **modernization of power generation**, transmission and distribution system
- Manufacturing under atmanirbhar bharat to reduce solar power related imports in time bound manner
- US partnership can play a crucial role in this aspect as it can -
  - Provide **Technology** and best practices
  - Provide Capital
  - Boost indigenous capacity in local manufacturing

