



## Current Affairs of the Day

- India among 6 countries with the highest tally of infants who didn't get measles vaccine: report
- Fifteen Asian countries sign world's biggest trade deal; India pulled out last year
- With LIBOR set to cease by 2021, RBI plans new Indian benchmark
- Explained: What is the Atlantic Ocean's largest protected marine reserve?



## India among 6 countries with the highest tally of infants who didn't get measles vaccine: report

**GS II: Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.**

India was among six countries with the highest number of infants who had not received the Vaccine against measles—while the contagious viral disease surged worldwide in 2019 reaching the highest number of Reported cases in 23 years—last year, according to a new report of the World Health Organisation and US Centers for Disease Control and Prevention.

### Highlights:

1. A total of 1.2 million children did not receive the first dose of measles-containing-vaccine (MCV1) in 2019 in India.
2. The report, titled 'Progress Towards Regional Measles Elimination Worldwide 2000- 2019', states that cases across the world increased to 8,69,770 in 2019, the highest number reported since 1996 with a rise in all WHO regions. Global measles deaths climbed nearly 50 percent since 2016, claiming an estimated 2,07,500 lives in 2019 Alone, it said.
3. Comparing 2019 data with the historic low in reported Measles cases in 2016, authors of the report cites a failure to vaccinate children on time with two doses of measles-containing vaccines (MCV1 and MCV2) as the main driver of these increases in cases and deaths.
4. Measles is entirely preventable; in a time in which we have a powerful, safe and cost-effective vaccine nobody should still be dying of this disease.
5. Covid-19 has resulted in dangerous declines in immunisation coverage, leading to increased risk of measles outbreaks. This is why countries urgently need to prioritise measles catch-up immunisation through routine services to mitigate the risk of outbreaks and ensure no child goes without this life-saving vaccine.



## Fifteen Asian countries sign world's biggest trade deal; India pulled out last year

GS II: Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

### World's Biggest Trade Deal

RCEP: 15 countries, 2.2 billion people, a combined GDP of \$26.2 trillion

■ RCEP Countries □ Non-RCEP Countries



Source: IMF

Bloomberg

**Context:** Prime Minister Narendra Modi said he pulled out over concerns about how RCEP would affect the livelihoods of Indians, particularly the most vulnerable. India, though, will be allowed to rejoin the trade pact.

### Highlights:

1. Asia Pacific nations including China, Japan and South Korea on Sunday signed the world's largest regional free-trade agreement, encompassing nearly a third of the world's population and gross domestic product.
2. Top officials from 15 nations that also include Australia, New Zealand and the 10 members of the Association of Southeast Asian Nations inked the Regional Comprehensive Economic Partnership, or RCEP — nearly a decade in the making — on the final day of the 37th Asean Summit hosted virtually by Vietnam.



## India Exit

1. Negotiators pushed the deal across the finish line after India surprised participants late last year by abandoning the agreement. Prime Minister Narendra Modi said he pulled out over concerns about how RCEP would affect the livelihoods of Indians, particularly the most vulnerable. India, though, will be allowed to rejoin the trade pact.

## RCEP and TPP

Whether RCEP changes regional dynamics in favor of China depends on the U.S. response. The agreement underscores how U.S. President Donald Trump's 2017 decision to withdraw from a different Asia Pacific trade pact — the Trans-Pacific Partnership or TPP — diminished America's ability to offer a counterbalance to China's growing regional economic influence.

## With LIBOR set to cease by 2021, RBI plans new Indian benchmark

### GS III: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

The Reserve Bank of India (RBI) is going ahead with its plan to work out a new benchmark to replace **Mumbai Interbank Forward Outright Rate (MIFOR)** as the **London Interbank Offered Rate (LIBOR)** — the global benchmark for borrowings — is expected to cease after end-2021. India's exposure in the form of borrowings, bonds, FCNR deposits and derivative contracts through LIBOR is estimated to be around \$331 billion. MIBOR uses LIBOR as component.

### Highlights:

1. With the cessation of LIBOR, an alternate to MIFOR will also need to be developed. In 2012, the most widely used global financial benchmark, the LIBOR, was found to have been manipulated by individuals at various financial institutions, creating shock waves in the financial system.
2. In India, MIFOR — which has LIBOR as one of its components — is a key benchmark used in the interest rate swap (IRS) markets. An alternate benchmark based on global ARRs (alternate reference rates) will need to be developed in place of the MIFOR.



3. Currently, the Clearing Corporation of India Ltd provides guaranteed settlement for IRS contracts that reference the MIFOR.
4. In India, exposures to LIBOR arise from loan contracts (ECBs or external commercial borrowings) linked to LIBOR, FCNR (B) deposits with floating rates of interest linked to LIBOR and derivatives linked to LIBOR or to the MIFOR.

## Background

### Understanding MIFOR

The Mumbai Interbank Offer Rate (MIBOR) is one iteration of India's interbank rate, which is the rate of interest charged by a bank on a short-term loan to another bank. As India's financial markets have continued to develop, India felt it needed a reference rate for its debt market, which led to the development and introduction of the MIBOR.

Banks borrow and lend money to one another on the interbank market in order to maintain appropriate, legal liquidity levels, and to meet reserve requirements placed on them by regulators. Interbank rates are made available only to the largest and most creditworthy financial institutions.

MIBOR is calculated every day by the National Stock Exchange of India (NSEIL) as a weighted average of lending rates of a group of major banks throughout India, on funds lent to first-class borrowers. This is the interest rate at which banks can borrow funds from other banks in the Indian interbank market.

The Mumbai Interbank Offer Rate (MIBOR) is modeled closely on LIBOR. The rate is used currently for forward contracts and floating-rate debentures. Over time and with more use, MIBOR may become more significant.

### What Is London InterBank Offered Rate (LIBOR)?

The London Interbank Offered Rate (LIBOR) is a benchmark interest rate at which major global banks lend to one another in the international interbank market for short-term loans. LIBOR serves as a globally accepted key benchmark interest rate that indicates borrowing costs between banks. The rate is calculated and published each day by the Intercontinental Exchange (ICE).

LIBOR is the average interest rate at which major global banks borrow from one another. It is based on five currencies including the U.S. dollar, the euro, the British pound, the Japanese yen, and the Swiss franc, and serves seven different maturities—overnight/spot next, one week, and one, two, three, six, and 12 months.



The combination of five currencies and seven maturities leads to a total of 35 different LIBOR rates calculated and reported each business day. The most commonly quoted rate is the three-month U.S. dollar rate, usually referred to as the current LIBOR rate.

## Explained: What is the Atlantic Ocean's largest protected marine reserve?

### Prelims Only

On Friday, the isolated UK Overseas Territory of Tristan da Cunha, which is home to the world's most remote human settlement, declared the largest fully protected marine reserves in the Atlantic Ocean at 687,000 square kilometres. This will close over 90 percent of their waters to harmful activities such as bottom-trawling fishing, sand extraction and deep-sea mining.

### Highlights:

1. UK prime minister called on other nations to join us in ambition to protect 30 per cent of the world's ocean by 2030.
2. Tristan da Cunha, which is inhabited by less than 300 humans is a small chain of islands over 6,000 miles from London in the South Atlantic and the water around the islands are considered to be the richest in the world.
3. The mountainous archipelago Tristan da Cunha is home to tens of millions of seabirds and several unique land birds that are comparable to the Galapagos island finches, as per the Royal Society for the Protection of Birds (RSPB), which has been working with the local community and government of Tristan da Cunha.
4. However, some of its seabirds that are not found anywhere else in the world face threats including illegal and unregulated fishing activities, overfishing, plastic pollution and climate change. The National Geographic reported that invasive mice brought to the islands by passing ships kill over 2 million birds a year.

### What does the announcement mean for the island group?

After joining the UK's Blue Belt Programme, it will become the largest no-take zone in the Atlantic and the fourth largest on the planet. This means fishing, mining and any such activities will not be allowed.