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## CURRENT AFFAIRS



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# **Open Network for Digital Commerce**

### **Context:**

The Department for Promotion of Industry and Internal Trade has issued orders appointing an advisory committee for its Open Network for Digital Commerce (ONDC) project that is aimed at curbing “digital monopolies”.

This is in the direction of making e-commerce processes open source, thus creating a platform that can be utilized by all online retailers.

Earlier, the Ministry of Consumer Affairs released draft e-commerce rules for consumer protection which seek to bring changes to how e-commerce marketplaces, including Amazon and Flipkart, operate after small businesses complained that they misuse market dominance and deep-discounting to gain an unfair advantage.

### **About:**

#### **Open Network for Digital Commerce**

- The ONDC aims at promoting open networks developed on open-sourced methodology, using open specifications and open network protocols, independent on any specific platform.
- The project to integrate e-commerce platforms through a network based on open-source technology has been tasked to the Quality Council of India
- Implementation of ONDC, which is expected to be on the lines of UPI could bring various operational aspects put in place by e-commerce platforms to the same level.

- Various operational aspects include onboarding of sellers, vendor discovery, price discovery and product cataloguing etc.
- On ONDC, buyers and sellers may transact irrespective of the fact that they are attached to one specific e-commerce portal.

#### **Significance:**

- If the ONDC gets implemented and mandated, it would mean that all e-commerce companies will have to operate using the same processes (like Android Based Mobile Devices).
- This could give a huge booster shot to smaller online retailers and new entrants.
- If mandated, this could be problematic for larger e-commerce companies, which have their own processes and technology deployed for these segments of operations.
- ONDC is expected to digitize the entire value chain, standardize operations, promote inclusion of suppliers, derive efficiency in logistics and enhance value for consumers.

#### **Meaning of Open-Source:**

- Making a software or a process open-source means that the code or the steps of that process is made available freely for others to use, redistribute and modify it.
- For example, while the operating system of Apple's iPhones (iOS) is closed source, meaning it cannot be legally modified or reverse engineered,
- Google's Android operating system is open-source, and therefore it is possible by smartphone manufacturers such as Samsung, Xiaomi, OnePlus, etc to modify it for their hardware.

# Authorised Economic Operators Programme

## Context:

The Central Board of Indirect Taxes & Customs (CBIC) has inaugurated the online filing of Authorised Economic Operators Programme

## Applications

The web application is designed to ensure continuous real-time and digital monitoring of physically filed AEO applications for timely intervention and expedience.

## About:

Authorised Economic Operators Programme

- AEO is a programme (2007) under the aegis of the **World Customs Organization (WCO) SAFE Framework** of Standards to **secure and facilitate global trade**.
- It aims to **enhance international supply chain security** and **facilitate the movement** of goods.
- Under this, an entity engaged in international trade is **approved by WCO** as compliant with supply chain security standards and **granted AEO status**.
- An entity with an **AEO status is considered a 'secure' trader** and a reliable trading partner.
- Benefits of AEO status include **expedited clearance times, fewer examinations, improved security and communication between supply chain partners**.
- AEO is a **voluntary programme**.

## Indian AEO Programme:

- The AEO Programme was introduced **as a pilot project in 2011**.
- The security standards detailed in WCO SAFE Framework are the basis of the Indian AEO programme.

- There is a **three tier AEO Status** for Exporters and Importers. The three tiers are AEO T1, AEO T2, AEO T3, where AEO T3 is the highest level of accreditation.

#### **Aim of Indian AEO Programme:**

- To provide business entities with an internationally recognized certification.
- To recognize business entities as “secure and reliable” trading partners.
- To incentivize business entities through defined benefits that translate into savings in time and cost.
- Secure supply chain from point of export to import.
- Enhanced border clearance.
- Reduction in dwell time and related costs.
- Customs advice/assistance if trade faces unexpected issues with Customs of countries.

#### **Benefits:**

- **Safe and Compliant Business:** Worldwide recognition as safe, secure and compliant business partners in international trade.
- **Reciprocal Recognition:** India gets trade facilitation by a foreign country with whom India enters into a **Mutual Recognition Agreement/Arrangement (MRA)**.
- MRA is an international agreement by which two or more countries agree to recognize one another’s conformity assessment results (for example **certifications or test results**).
- **Streamline Cargo security:** It enables Indian Customs to enhance and streamline cargo security through close cooperation with the principal stakeholders of the international supply chain viz. importers, exporters, logistics providers, custodians or terminal operators, custom brokers and warehouse operators.
- **Promote Ease of Doing Business:** A liberalized, simplified and rationalized AEO accreditation process has potential to promote **Ease of Doing Business** and to emulate global best practices.
- Facility of **Direct Port Delivery of import Containers** and/or **Direct Port Entry of Export**
- It also fast tracking of refunds and adjudications.
- The Indian AEO Programme is a **game-changer**. It will not only achieve ‘**Make in India**’ but also substantially add to the vision and lead India to become a manufacturing and exporting power-house.

# Tele-Law

## Context:

Recently, the Justice Department commemorated the milestone of crossing 9 lakh beneficiaries under its Tele-Law programme through Common Service Centres.

Common Service Centre programme is an initiative of the Ministry of Electronics & IT (MeitY), that serves as the access points for delivery of various electronic services to villages in India, thereby contributing to a digitally and financially inclusive society.

## About:

### Tele-Law

- It was launched by the Ministry of Law and Justice in collaboration with the Ministry of Electronics and Information Technology (MeitY) in 2017 to address cases at the pre-litigation stage.
- It is presently operating in 633 districts (including 115 Aspirational Districts) across 34 States/UTs through a network of 50,000 CSCs.
- Under this programme, smart technology of video conferencing, telephone/instant calling facilities available at the vast network of Common Service Centers at the Panchayat level are used to connect the indigent, down-trodden, vulnerable, unreached groups and communities with the Panel Lawyers for seeking timely and valuable legal advice.
- Even though the Tele-law programme is technology driven, its success is dependent on the working of field functionaries comprising Village Level Entrepreneurs (VLEs), Para Legal Volunteers (PLVs), State Coordinators and Panel Lawyers.

## Benefits:

- It enables anyone to seek legal advice without wasting precious time and money. The service is free for those who are eligible for free legal Aid as mentioned under Section 12 of the Legal Services Authority Act, 1987. For all others a nominal fee is charged.
- According to a recent report titled 'Quality of Legal Representation: An Empirical Analysis of Free Legal Aid Services in India', the majority of the people who are

entitled to the free legal aid system see the service as an option only when they cannot afford a private lawyer.

- **Supports SDGs:** It can be noted that this initiative is in line with SDG-16, which seeks to “Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”.

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