

## 1. Egypt's Gaza reconstruction plan endorsed by Arab League, rejected by Israel

### Introduction

Members of the Arab League recently welcomed a \$53 billion proposal by Egypt to reconstruct Gaza over the next five years.

The final communique of emergency Arab League summit emphasised the group's commitment to a two-state solution for Israel and Palestine. The statement also emphasised the rights of Palestinian people and ruled out any possibility of displacing the population, as proposed by US President Donald Trump in his contentious "Riviera of the Middle East" plan.



### First, what had Trump proposed?

In February 2025, Trump, in a joint press conference with Israeli PM Benjamin Netanyahu, proposed that the US take over the Gaza strip and "own it", clearing the area of unexploded bombs and rubble. In the process, the US would build glass towers and sea-facing property in what would become the "Riviera of the Middle East", inviting the "world's people" to move in.

Trump also asserted the idea of relocating nearly 2 million Palestinians from Gaza to neighbouring Jordan and Egypt, a proposal that both countries and other Arab nations vehemently rejected.

This proposal marked a significant break from the US's long-standing endorsement of the two-state solution.

### What Egypt's reconstruction plan for Gaza says

Egypt's Reconstruction Plan for Gaza contains maps detailing how its land would be redeveloped.

The first phase, a recovery stage, is expected to last six months. It would focus on clearing over 50 million tons of rubble, removing mines and unexploded bomb material, and providing temporary housing.

The following reconstruction phase would focus on rebuilding essential infrastructure like roads and public utilities.

The second stage would run until 2030, and would build 200,000 housing units. It also contains plans for a commercial seaport, a technology hub, industrial zones, beach hotels and an airport.

### **What the plan does not say...**

The Plan does not say that who will run Gaza, and which countries will provide the money needed for its reconstruction. The reconstruction would need investment from oil-rich Gulf nations like the UAE and Saudi Arabia, which could supply billions of dollars.

Egypt's plan proposes to replace the Hamas-led Gaza government with a Governance Assistance Mission for an unspecified interim period. The mission would be led by professional Palestinian technocrats and oversee the dispensation of humanitarian aid and the reconstruction process.

It is to be noted that Hamas has controlled Gaza since 2007.

The plan also envisages a stronger role for the Palestinian Authority, Palestine's governing body led by President Mahmoud Abbas, who has been in power since 2005. He stated his readiness to hold presidential and parliamentary elections under the right circumstances. The PA had controlled Gaza until Hamas took over in 2007, while its control of the occupied West Bank has shrunk with expanding Israeli settlement in the region.

### **Views of Israel on Plan**

In a statement, the Israeli foreign ministry called the plan "rooted in outdated perspectives" and complained that it did not acknowledge the October 7, 2023 attack by Hamas or condemn the militant group.

According to Israeli estimates, Hamas's October 7 attack reportedly killed 1,200 and had over 250 people taken as hostages. Israel's retaliatory military onslaught has killed over 48,000 Palestinians, according to the local health ministry, and displaced Gaza's population almost entirely.

An Israeli official who spoke to Reuters said that the war aimed to destroy Hamas's military and governing and military capabilities, and pushed for the group to be demilitarised immediately.

Relevance: GS Prelims & Mains Paper II; International Relations

Source: Indian Express

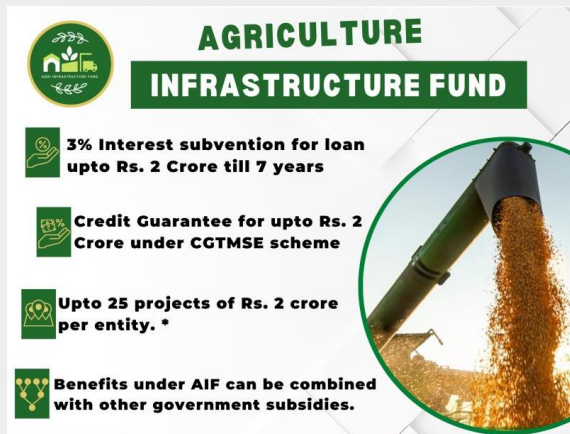
## **2. Centre's Agriculture Infrastructure Fund (AIF) scheme- Punjab Rank's No. 1**

Punjab ranks at number 1 in the country in implementing the Agriculture Infrastructure Fund (AIF) scheme.

### **What is AIF?**

The Agriculture Infrastructure Fund (AIF) was started in July 2020 with an aim to provide medium to long-term financing for agriculture infrastructure projects at the post-harvest stage.

Wastage of post-harvest produce hurts the farmer and causes a lot of damage to the country. The new scheme was launched to help in creating better storage and modern cold storage chains in villages.



#### How the AIF scheme works

This scheme offers credit guarantees and interest subvention. The scheme provides 3% interest subvention on eligible loans. Maximum interest rate is capped at 9% for 7 years, for loans up to Rs 2 crore.

Under the AIF, one can take benefits of other state and central subsidies as well. Credit guarantee support is through the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and National Bank for

Agriculture and Rural Development (NABSanrakshan) Scheme.

#### What has Punjab achieved?

Punjab is at the No.1 position in the country for the highest number of sanctioned projects under the AIF Scheme. Punjab is followed by Madhya Pradesh, Maharashtra, Uttar Pradesh and Tamil Nadu. Notably, nine out of the top 10 districts in the country under this scheme are from Punjab.

#### What sort of projects have been taken up under the AIF scheme?

Projects as diverse as cashews processing, oil extraction units, drone projects, flour mills, kinnow processing units, solar projects, cold stores, customer hiring centres, etc. have been taken up.

Relevance: GS Prelims; Economy

Source: The Hindu

### 3. What does Navratna status for IRCTC and IRFC mean?

#### New Navratna Companies

The Centre recently approved the upgradation of Indian Railway Catering and Tourism Corporation (IRCTC) and Indian Railway Finance Corporation (IRFC) as the country's 25th and 26th Navratna companies respectively.

All seven listed Central Public Sector Enterprises (CPSEs) of the Indian Railways now have Navratna status. The Indian Railways have a total 12 CPSEs.

#### When and how does a company get Navratna status?

Navratnas are the second category of the central government-owned 'Ratna' companies, placed between the Maharatnas and the Miniratnas, based on criteria including profitability, net worth, earning, inter-sectoral performance, etc.



The Department of Public Enterprises (DPE) of the Ministry of Finance picks the CPSEs for Navratna status. Six indicators are considered: (i) ratio of net profit to net worth, (ii) ratio of manpower cost to total cost of production or services, (iii) ratio of profit before depreciation, interest, and tax (PBDIT) to capital employed or return on capital employed, (iv) ratio of profit before interest and taxes (PBIT) to turnover, (v) earning per share, and (vi) inter-sectoral performance of the company.

The six indicators carry weights from 10 (for earning per share) to 25 (for ratio of

net profit to net worth).

If a CPSE has a composite score of 60 or higher for all six indicators, and has obtained an Excellent or Very Good MOU rating in three of the last five years, it is eligible to be considered for Navratna status.

### **How does securing Navratna status help a company?**

Having got Navratna status, IRCTC and IRFC can invest up to Rs 1,000 crore or 15% of their net worth in a single project without government approval. It makes them more financially autonomous.

The companies can form joint ventures and subsidiaries, and enter into mergers or acquisitions without direct government intervention. They can also make independent business and investment decisions to compete with private sector companies.

These companies will also be able to enter the international market. They can form strategic alliances and expand globally without strict bureaucratic hurdles. Navratna companies are considered financially stable, which helps them attract more investors and provide better returns to shareholders.

### **What are the other Navratnas of the Indian Railways?**

Five other Indian Railways companies had Navratna status before IRCTC and IRFC – Container Corporation of India (CONCOR), Rail Vikas Nigam Ltd (RVNL), RITES Ltd, IRCON International Ltd, and RailTel Corporation of India Ltd.

CONCOR became the first Railways Navratna in July 2014. RVNL, IRCON, RITES followed in 2023, and RailTel in August 2024.

CONCOR is a multimodal logistics company for freight transport, and RailTel provides connectivity services such as IP-based video surveillance systems at stations and NIC 'e-Office' services. IRCON specialises in building railways and highways projects in India and abroad.

ITES is a multidisciplinary transport infrastructure consultancy organisation, and RVNL implements projects relating to creation and augmentation of capacities of rail infrastructure on a fast-track basis.

Relevance: GS Prelims & Mains Paper II; Governance

Source: Indian Express

'Sharing is Caring'

If you have friends preparing for Civil Services, tell them that they can also receive Updates through WhatsApp from Shubham's IAS by sending 'Name' and 'State' on 75979-00000