

1. BRICS Summit in Rio: Unity Amid Global and Internal Tensions**Expanded BRICS in the Global Spotlight**

The 17th BRICS Summit, held in Rio, was the first to include all newly inducted members — Egypt, Ethiopia, the UAE, Iran, and Indonesia (Saudi Arabia has not yet joined). The meeting occurred during global tensions: U.S.-Israel attacks on Iran's nuclear facilities, heavy bombing in Gaza, the recent India-Pakistan conflict, and just after the G-7 summit in Canada.

**Challenges to Unity: U.S. Pressure and Internal Differences**

- BRICS is increasingly seen as a challenger to the Western-led financial order, especially the dominance of the U.S. dollar.
- U.S. President Donald Trump criticized BRICS for promoting de-dollarisation, threatening 10% extra tariffs on its members.
- Internally, BRICS has faced friction: a recent Foreign Ministers' meeting failed to release a joint statement due to disagreements on UN Security Council reforms.

**Mixed Signals on De-dollarisation**

While India has clarified it is not pursuing de-dollarisation or a unified BRICS stance on it, Brazil's President Lula took a strong anti-U.S. tone, stating the world doesn't "need an emperor."

Rio Declaration: Signs of Cohesion and Progress

Despite tensions, the Rio Declaration reflected unity on several fronts:

- Strong condemnation of attacks on Gaza and Iran, especially due to nuclear safety concerns.
- India secured support for condemning the Pahalgam terror attack and for addressing cross-border terrorism.
- India and Brazil gained endorsement for greater roles at the UN, including the Security Council.

New Voices, New Vision

With China and Russia's leaders absent, the non-Permanent Security Council (P5) countries had more space to push a common Global South agenda. This included:

- Resolutions on energy security
- Commitments to climate change action
- Proposals to reform the World Trade Organization (WTO)

Looking Ahead: India's Leadership Next Year

As India prepares to lead BRICS next year, the grouping now:

- Represents nearly 50% of the global population
- Accounts for 40% of global GDP
- Handles about 25% of world trade

Relevance: GS Prelims & Mains Paper II; International Organisations

Source: The Hindu

2. Namibia Confers Highest Civilian Award on PM Modi

Introduction

During his state visit to Namibia, Prime Minister Narendra Modi was conferred with the Order of the Most Ancient Welwitschia Mirabilis, the country's highest civilian award. He became the first Indian leader to receive this honour.

PM Modi dedicated the award to the 1.4 billion people of India and the enduring India-Namibia friendship. He thanked Namibian President Netumbo Nandi-Ndaitwah and the people of Namibia, calling the award a milestone in bilateral relations.

PM Modi's Speech in Namibian Parliament: A Vision for Africa

Addressing a joint session of the Namibian Parliament, PM Modi emphasized India's long-standing support for Namibia's freedom struggle — "not just in words, but in action."

He drew a symbolic comparison between the two nations' friendship and Namibia's national plant, Welwitschia mirabilis — resilient and enduring with time.

India's Role in Namibia's Independence

India was one of the first countries to raise the issue of Namibia's independence at the United Nations in 1946. It supported the South West Africa People's Organisation (SWAPO) by hosting its first diplomatic mission and providing material assistance. PM Modi also paid tribute to Sam Nujoma, Namibia's freedom hero, and remembered his strong ties with India.

Cooperation, Not Competition: India's Africa Policy

PM Modi made it clear that India sees Africa as a partner, not a competitor.

"With Africa, we seek not to compete, but to cooperate. Our goal is to build together. Not to take, but to grow together," he said.



He stressed that Africa should not just be a source of raw materials, but a leader in value creation and sustainable growth.

Key Agreements and Partnerships Signed

Several agreements and initiatives were announced during the visit:

- Entrepreneurship Development Centre to be set up in Namibia.
- MoU in health and medicine for greater cooperation.
- Namibia joined India-led Coalition for Disaster Resilient Infrastructure and the Global Biofuel Alliance.

Digital Collaboration: UPI in Namibia

PM Modi congratulated Namibia for adopting India's UPI digital payment system.

A technology licensing agreement between the National Payments Corporation of India and the Bank of Namibia (signed in April 2024) will lead to the official launch of digital payments in Namibia later this year.

UPI, or Unified Payments Interface, is already accepted in several countries, including

1. Singapore
2. Bhutan
3. Malaysia
4. United Arab Emirates
5. Nepal
6. France
7. United Kingdom
8. Russia
9. Oman
10. Qatar
11. Sri Lanka
12. Mauritius

UPI is expected to be introduced in many more nations.

Relevance: GS Prelims & Mains Paper II; International Relations

Source: Indian Express

3. Catastrophe Bonds: A Financial Shield Against Disasters

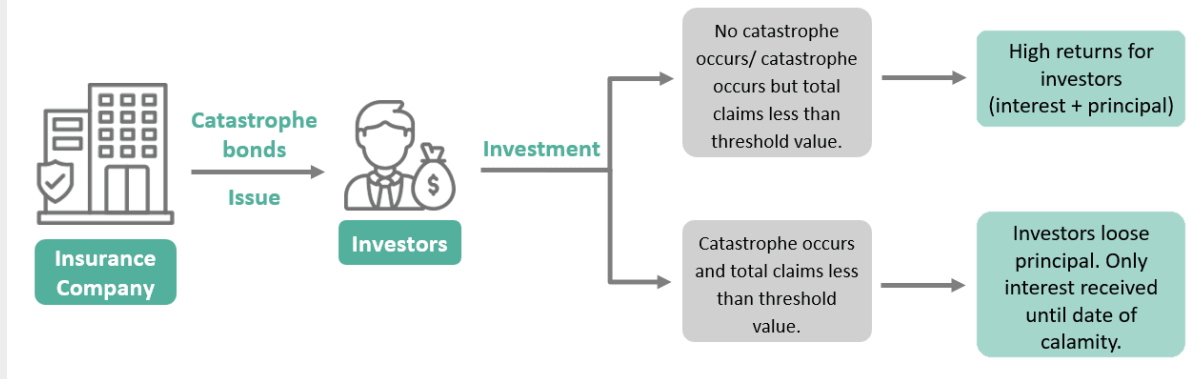
Meaning

A Catastrophe Bond (CAT Bond) is a high-yield investment instrument that allows insurance companies to raise money in case of natural disasters like earthquakes, hurricanes, or floods. These bonds transfer the risk of catastrophic losses to investors, who receive higher returns but risk losing their money if a defined disaster occurs.

Why They Matter

With climate change making natural disasters more frequent and severe, CAT bonds help insurance companies stay financially stable during massive claim events.

What are Catastrophe Bonds?



How Do CAT Bonds Work?

Step-by-step Breakdown:

1. Special Purpose Vehicle (SPV):

A legal entity is created to manage the CAT bond. This SPV acts as a middleman between the insurer (the sponsor) and the investors.

2. Investor Contribution: Investors buy the bond, putting their money into the SPV. The SPV invests this money in safe assets like U.S. Treasury bonds.

3. Insurance Premiums: The insurer pays premiums to the SPV (similar to how you pay premiums for insurance). The insurer in case of CAT bonds is the government.

Outcome Scenarios

No disaster: Investors get their original investment back plus interest (higher than normal bond returns).

Disaster occurs: The insurer takes the money to cover claims, and investors lose some or all of their investment.

Why Investors Buy Cat Bonds

Investors, especially pension funds and hedge funds, value cat bonds because:

- They provide diversification: disaster risks aren't linked to financial market risks.
- They de-risk portfolios by adding climate-related, non-market correlated assets.
- Since 1990s, over \$180 billion worth of cat bonds have been issued globally; about \$50 billion are currently active.

Why India Should Consider Cat Bonds

India is increasingly exposed to extreme weather events due to climate change. Insurers and reinsurers are struggling to keep up, making government-backed cat bonds a viable option.

Such a bond could address:

- Earthquakes in the Himalayas
- Cyclones in the Bay of Bengal
- Tsunamis in the Indian Ocean

A regional cat bond would pool risk, reduce premiums, and make South Asia more financially resilient to disasters.

Relevance: GS Prelims & Mains Paper III; Economics

Source: The Hindu

4. Air India Flight AI 171 Crash Investigation so far

Background: Air India Flight AI 171 Crash

The aircraft achieved the maximum recorded airspeed of 180 Knots IAS at about 08:08:42 UTC and immediately thereafter, the Engine 1 and Engine 2 fuel **cutoff** switches transitioned from RUN to **CUTOFF** position one after another with a time gap of 01 sec. The Engine N1 and N2 began to decrease from their take-off values as the fuel supply to the engines was cut off.

In the cockpit voice recording, one of the pilots is heard asking the other why did he **cutoff**. The other pilot responded that he did not do so.

The CCTV footage obtained from the airport showed Ram Air Turbine (RAT) getting deployed during the initial climb immediately after lift-off (*fig. 15*). No significant bird activity is observed in the vicinity of the flight path. The aircraft started to lose altitude before crossing the airport perimeter wall.



Figure 15 CCTV screenshot of RAT Deployment

On June 12, 2025, Air India's Boeing 787-8 (Flight AI 171) crashed shortly after take off from Ahmedabad, killing 241 people on board and 19 on the ground. The Aircraft Accident Investigation Bureau (AAIB) released a preliminary report detailing how the loss of engine thrust triggered the disaster.

Key Finding: Fuel Switches Moved to “Cut Off”

- **Timing:** Exactly three seconds after lift off, both engines’ fuel control switches transitioned from RUN to CUTOFF, one second apart.
- **Consequence:** Both engines lost thrust, forcing the crew to declare “MAYDAY” before the aircraft descended and crashed just outside the airport perimeter.

Pilot Conversation Raises Questions

- **Cockpit Voice Recording:** One pilot is heard asking, “Why did you cut off [fuel]?” The other replied, “I did not do so.”
- **Unclear Who:** The report does not clarify which pilot spoke or provide the full transcript.
- **Expert View:** Aviation safety specialists note it’s almost impossible for these guarded, lock protected switches to move accidentally.

Recovery and Final Moments

- **Auto Recovery:** 10–12 seconds later, both switches returned to RUN. One engine recovered power, but the other continued to decelerate.
- **End of Data:** The flight data recorder stopped 17 seconds after the switches first moved to CUTOFF.

Possible Causes Explored

1. Mechanical Failure?

- o No prior defects found in maintenance records since the cockpit control panel was last replaced in 2023.
- o FAA had issued a non mandatory advisory in 2018 on the 787’s fuel switch locking feature. The Federal Aviation Administration (FAA) is the agency of the United States Department of Transportation responsible for the regulation and oversight of civil aviation within the U.S.

2. Fuel Contamination or Bird Strike?

- o Fuel samples tested clear.
- o No significant bird activity recorded.

3. Human Intervention?

- o Experts argue deliberate action is the most plausible explanation, given switch design.
- o Speculation includes misidentification of a single engine failure or a deliberate act.

Criticisms of the Preliminary Report

- **Ambiguity Over Pilot Roles:** The report notes the captain was monitoring and the first officer was flying—only the captain’s hands would have been free to move the switches.
- **Inconsistent Flight Hours:** Contradictory figures for each pilot’s logged hours raise concerns about data accuracy.
- **Lack of Detail:** Full cockpit voice transcripts and precise switch locking details were not provided, leaving critical “why” questions unanswered.

What’s Next?

- **Ongoing Investigation:** The AAIB’s final report must explain how locked switches could move during take off and provide the complete sequence of system warnings.

- **Safety Implications:** Findings will influence procedures for switch guard design, pilot training, and emergency protocols—both in India and globally.

Relevance: GS Prelims & Mains Paper III; Disaster Management

Source: Indian Express & The Hindu

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