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1 Ganga Water Sharing Treaty (Source: The Hindu)

The 1996 Ganga Water Sharing Treaty is a 30-year bilateral agreement between India and Bangladesh, signed in December 1996, to share the Ganga's, water during the lean season (January 1–May 31). The treaty is scheduled to expire in December 2026.

Why such an initiative

- It ensure fair water distribution for both upstream (India) and downstream (Bangladesh) users, especially during low-flow periods.

Key features

- It regulates the flow of water at the Farakka Barrage in West Bengal.
- Projects will be selected through a transparent and competitive challenge mode focusing on result oriented projects.
- Private sector participation will be encouraged through structured risk-sharing frameworks and benchmarking of service delivery standards.
- The fund will cover all cities with a population of 10 lakh or more.
- Central assistance will cover 25% of project costs.
- Minimum of 50% of the project cost should be raised from the market, including municipal bonds, bank loans, and public-private partnerships.
- A dedicated ₹5,000 crore corpus will enhance the creditworthiness of 4,223 cities.

Fact you need to know :

- Farakka Barrage is essential for maintaining the navigability of the Calcutta Port.
- Calcutta port or Syama Prasad Mookerjee Port is India's oldest operating and sole major riverine port, situated on the banks of the Hooghly River.

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2 Most Favoured Nation (MFN) *(Source: **The Hindu**)*

MFN is a principle under the World Trade Organization (WTO) that mandates non-discrimination among member countries in trade policies.

Features

- Ensures the lowest tariffs, highest import quotas, and minimal trade barriers among member countries.
- Aims to promote fair trade and equitable market access.

Exceptions:

- Bilateral or regional trade agreements.
- Special access for developing nations.
- These rules do not bind Non-WTO countries like Iran or North Korea.

Removal of MFN:

- No formal WTO procedure for suspending MFN status exists.
- Members are not obligated to notify the WTO when removing MFN treatment.

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3 Stagflation *(Source: **The Indian Express**)*

Stagflation is a economic phenomenon combines high inflation, stagnant economic growth, and elevated unemployment.

- *The term was first used in the 1960s and became prominent during the 1970s oil crisis.*

Causes

- Supply shocks like rising crude oil price (Eg : Iran Conflict).
- Spike input costs (e.g., energy),
- Slowing production while raising prices.
- Cost-push factors, such as wage-price spirals or poor policy (e.g., excessive money supply).

Impact

- Inflation erodes household incomes, reducing consumption.
- Companies facing higher costs and weaker demand cut jobs.
- Economic uncertainty discourages businesses from investing, further hampering growth.
- High interest rates, necessary to fight inflation, reduce the value of banks' bond holdings.