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1 Trade Deficit (Source: The Hindu)

A Trade Deficit occurs when a country's total cost of imports exceeds its total earnings from exports over a given period. It is a key component of the Current Account Balance, which falls under the broader Balance of Payments (BoP).

- **Trade Deficit** = Value of Imports – Value of Exports

Causes of Trade Deficit

- Import of crude oil, gold, machinery, electronics, and fertilizers.
- Lower global demand or reduced competitiveness of domestic products.
- A stronger domestic currency makes imports cheaper and exports relatively expensive.
- Higher purchasing power increases demand for imported goods.
- Industries relying on imported inputs increase import bills.

Types

- **Merchandise (goods) Trade Deficit:** Gap between goods exports and goods imports.
- **Services Trade Deficit/Surplus:** Gap between services exports and imports.
- **Bilateral Trade Deficit:** Deficit with a specific country.

Impacts

- **Positive Effects**
 - Availability of advanced technology and capital goods.
 - Access to cheaper imported products.
 - Supports industrial production where imports are essential.
- **Negative Effects**
 - Increases demand for foreign currency.
 - Can lead to depreciation of the domestic currency.
 - May widen the Current Account Deficit (CAD).
 - Reduces foreign exchange reserves if persistent.
 - Can hurt domestic industries due to import competition.

2 Biofuel (Source: The Hindu)





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3 Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management (Source: The Hindu)

It is the first and only legally binding international treaty to directly address the safety of handling nuclear waste and spent fuel globally.

- Came under the auspices of the **International Atomic Energy Agency (IAEA)** in 1997, it entered into force on June 18, 2001.

Note

- The Convention applies to spent fuel resulting from the operation of civilian nuclear reactors and to radioactive waste resulting from civilian applications.
- It also applies to spent fuel and radioactive waste from military or defence programmes if such materials are transferred permanently to and managed within exclusively civilian programmes, or when declared as spent fuel or radioactive waste for the Convention by the Contracting Party concerned.
- It covers planned and controlled releases into the environment of liquid or gaseous radioactive materials from regulated nuclear facilities.