

Short news

1. Financial Inclusion Index

The RBI's Financial Inclusion Index (FI-Index) rose to 67 in March 2025, up from 64.2 in 2024—a 24.3% increase since its launch in 2021, reflecting significant progress in expanding access to financial services in India. It was Launched by RBI in 2021, the FI-Index measures financial inclusion across Banking, Investment, Insurance, Postal, Pension sectors, scored between 0 and 100, with 100 indicating full inclusion.

Built on three sub-indices

1. Access (35%): Availability of physical/digital infrastructure such as savings accounts, post offices, PoS terminals.
2. Usage (45%): Demand-side indicators including savings, credit uptake, and digital transactions (e.g., UPI).
3. Quality (20%): Focuses on financial literacy, consumer protection, and grievance redressal.

The FI-Index, built without a base year, captures the cumulative progress made by all stakeholders in advancing financial inclusion over time.

Key Highlights

Growth in 2025 driven by improvements in Usage and Quality. Boosted by Digital infrastructure expansion and financial literacy initiatives. 89% of Indian adults now have bank accounts (Global Findex 2025), compared to 35% in 2011.

2. India-UN Collaborative Initiative for Rice Fortification and Supply Chain Management in Nepal

Recently, India, in collaboration with the UN World Food Programme (UN WFP), launched a project to strengthen rice fortification and supply chain management in Nepal. It is part of the broader India-UN Global Capacity Building Initiative.

Objective

Strengthening Nepal's rice fortification and supply chain, focusing on procurement, data collection, and workforce skill development. Knowledge exchange from India's Public Distribution System (PDS) experience.

Implementation Phases

1. Phase 1: Needs assessment and stakeholder engagement (Initial phase).
2. Phase 2: Study visit for Nepali officials to India for practical exposure and training.
3. Phase 3: Development of an action plan for effective rice fortification.

Training through ITEC

The training component is implemented under India's Indian Technical and Economic Cooperation (ITEC) Programme, which has trained over 3000 Nepali officials since 2001.

Global Capacity Building Initiative Announced in September 2023 at the 78th Session of the United Nations General Assembly. Focused on fostering South-South cooperation for achieving the Sustainable Development Goals (SDGs)

3. Landlocked Nations Launch Climate Bloc

At the 3rd UN Conference on Landlocked Developing Countries (LLDCs) in Turkmenistan, 32 LLDCs launched a formal negotiating bloc under the United Nations Framework Convention on Climate Change (UNFCCC).

Landlocked Developing Countries (LLDCs)

LLDCs are nations that do not have direct access to the sea and also face serious development challenges due to this geographical limitation. There are currently 32 LLDCs recognized by the United Nations. Among them, 16 are also classified as Least Developed Countries (LDCs).

Key Challenges Faced by LLDCs

1. No access to coastal ports, forcing reliance on neighboring transit countries to reach international markets.
2. High transport and trade costs, often more than double those of coastal countries.
3. Frequent delays in goods movement due to longer supply chains and dependence on the infrastructure and stability of transit nations.
4. Lower foreign investment and fewer export opportunities, slowing economic growth.
5. Limited regional trade, as neighboring transit countries are often developing economies themselves with similar constraints.

Examples

1. In Africa: Niger, Chad, Ethiopia, Uganda
2. In Asia: Afghanistan, Nepal, Bhutan, Lao PDR
3. In Europe: North Macedonia, Serbia
4. In the Americas: Bolivia, Paraguay

4. SheLeads II

The Union Minister for Women and Child Development, inaugurated the second edition of UN Women's SheLeads II, a flagship capacity-building programme aimed at empowering women leaders. This edition is especially significant in light of the Women's Reservation Act, 2023, which mandates 33% reservation for women in both the Lok Sabha and State Legislative Assemblies. This legislation marks a critical step towards improving women's representation in India's political landscape.

SheLeads

SheLeads is a flagship initiative of UN Women India Country Office, focused on advancing gender equality in public and political leadership. The programme is designed to support women leaders and equip them with the necessary skills and networks to contest in the upcoming Lok Sabha and State Assembly elections.

Significance

This initiative aligns with India's broader goal of fostering a more inclusive and gender-equal society. By empowering women to take leadership roles, SheLeads II plays a crucial role in shaping the nation's future and promoting sustainable development. Women leaders are seen as critical in shaping policies that reflect the aspirations of all citizens and ensuring that development is truly representative of every voice.

UN Women

UN Women is the leading UN entity dedicated to advancing women's rights, gender equality, and the empowerment of women and girls. It works to close the gender gap by shifting laws, institutions, and social behaviours, building an equal world for all women and girls.

5. Ad Valorem Duty

As part of its broader trade strategy, the United States has imposed a 25% ad valorem tariff on India, citing national security concerns related to India's import of Russian oil. This increase in tariffs follows a previous tariff hike, bringing the total tariff rate on India to 50%. This additional tariff will come into effect on August 27 2025, with a 21-day window for negotiations, allowing India to engage with the US.

An ad valorem duty is a customs tariff imposed on imports, which is calculated as a percentage of the value of the goods being imported. The term "ad valorem" is derived from Latin, meaning "according to value". This system contrasts with specific duties, which are based on the quantity or weight of the goods rather than their monetary value. For example: If the ad valorem tariff is 25% and an Indian product worth \$1,000 is imported into the US, the duty payable would be \$250 (25% of \$1,000). This tariff is applied to the value of the goods, not their physical attributes like weight or volume.

Key Features of Ad Valorem Duty

1. Proportional to Value

It is calculated based on the value of the goods being imported, meaning the more expensive the goods, the higher the duty paid.

2. Flexibility

As the value of goods changes due to factors like inflation or market conditions, the tariff amount automatically adjusts, ensuring that it stays proportional to the current value of the goods.

3. Global Use

It is widely used globally as it provides a simple and transparent way to calculate tariffs.