



# CURRENT AFFAIRS



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## OPEN NETWORK FOR DIGITAL COMMERCE ACADEMY

*This article covers “Daily Current Affairs” and the topic details “Open Network for Digital Commerce Academy”. The topic “Open Network for Digital Commerce Academy” has relevance in the “Indian Economy” section of the UPSC CSE exam.*

### **For Prelims:**

*What is Open Network for Digital Commerce Academy? What is Open Network for Digital Commerce?*

### **For Mains:**

*GS3: Indian Economy*

### **Why in the news?**

On 21st July 2023, the ONDC Academy, a repository of online training material for merchants, was launched by the government-backed e-commerce protocol, the Open Network for Digital Commerce (ONDC).

### **ONDC Academy**

- **The ONDC Academy is an e-learning program available to all participants on the open network, featuring assessments and certifications provided by NSE Academy Limited.** NSE Academy is a subsidiary of NSE Investments established to enhance financial literacy and offer training in banking, insurance, and financial markets.
- The primary goal of ONDC Academy is to
  - empower individuals with knowledge to make well-informed decisions,
  - minimise operational challenges,
  - maximise efficiency while engaging in e-commerce on the open network.
- The training material is available on the ONDC website and YouTube. The first course, “ONDC Academy Seller Network Participant Excellence,” is already active.
- The Seller Network Participant course is specifically designed to guide sellers on the network, covering various operational aspects crucial for running a successful online business. Topics include seller onboarding, persuading sellers to join ONDC, catalogue management, order handling, seller management, and packaging.
- The course is structured into multiple modules such as introduction to digital commerce, seller onboarding, catalogue creation, order management system, packaging, and more. Each module includes relevant chapters to thoroughly explain the subject matter.

### **Open Network for Digital Commerce (ONDC)**

- The Open Network for Digital Commerce (ONDC) is an initiative by the **Department of Promotion of Industry and Internal Trade (DPIIT)**, Ministry of Commerce, Government of India, **aimed at revolutionizing digital commerce and promoting the growth of retail e-commerce in the country.**

- The project's inception took place at the **Quality Council of India**, an autonomous organization under DPIIT, where the foundational work for ONDC was initiated with a mission-oriented approach.
- ONDC, backed by the Government of India, is a technology infrastructure that **operates on a network-centric model**. It allows buyers and sellers to conduct transactions regardless of the platforms or applications they use, as long as those platforms are connected to the open network.
- This approach surpasses the existing platform-centric digital commerce model, where both buyers and sellers are limited to using the same platform or application to conduct business digitally.

# ONDC OPEN NETWORK FOR DIGITAL COMMERCE

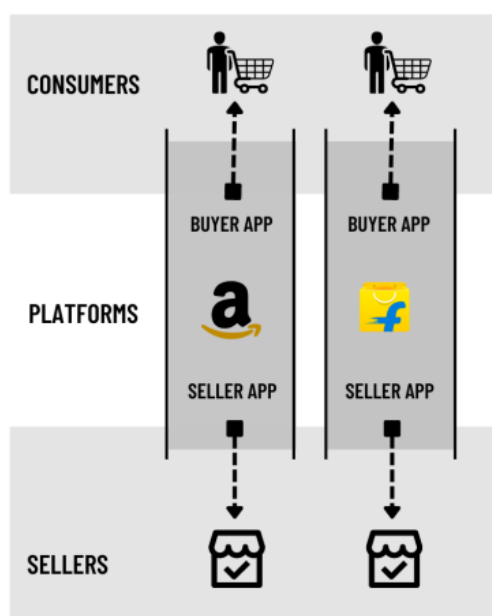
Open network-centric model backed by Government of India



INTERNET  
FREEDOM  
FOUNDATION

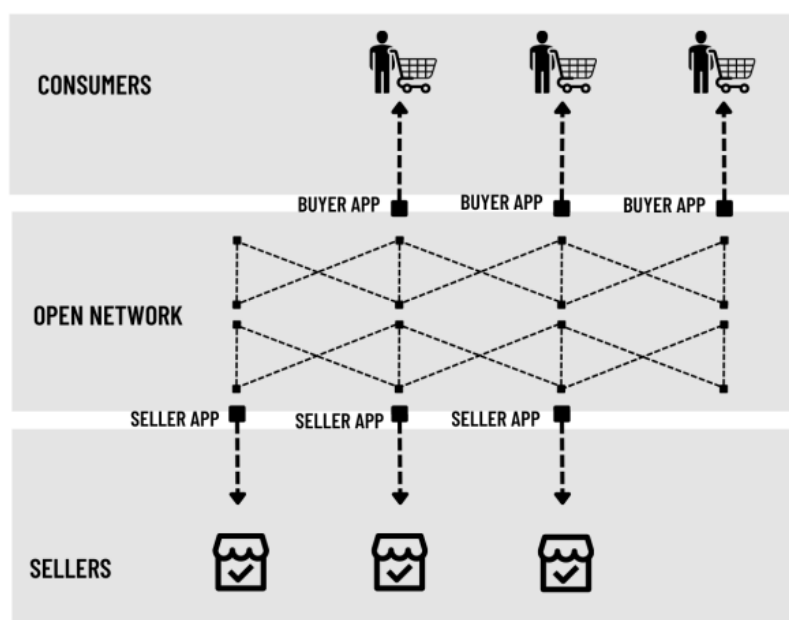
## Platform Centric Models

Buyers and sellers can only interact within walled platforms.



## Network Centric Models (like ONDC)

Buyers and sellers can interact with each other in a platform-agnostic manner.



### Major ONDC objectives:

1. Making eCommerce more democratic and decentralized
2. Ensuring inclusivity and accessibility for sellers, particularly small and medium enterprises and local businesses
3. Expanding consumer choices and independence

### Advantages of ONDC include:

- **Increased competition:** ONDC will reduce the dominance of a few large e-commerce platforms, giving small businesses and entrepreneurs a fairer chance to compete.
- **Lower prices:** ONDC is expected to lead to lower prices for consumers, as businesses will be able to reduce their costs by avoiding the high fees charged by the current e-commerce platforms.

- **Greater choice:** ONDC will make it easier for consumers to find the products and services they want, as they will be able to shop from a wider range of sellers.
- **Improved transparency:** ONDC will increase transparency in the e-commerce market, as buyers will be able to compare prices and products more easily.
- **Enhanced interoperability:** ONDC will enable interoperability between different e-commerce platforms, making it easier for consumers to switch between platforms.
- **Support for local businesses:** ONDC will support local businesses by making it easier for them to sell their products online.
- **Improved access to rural markets:** ONDC will improve access to rural markets, as it will be easier for businesses to reach consumers in these areas.

#### Challenges with ONDC:

- **Lack of awareness:** Many businesses and consumers are not aware of ONDC, which could hinder its adoption.
- **Technical challenges:** ONDC is a complex platform, and there are some technical challenges that need to be addressed before it can be fully implemented.
- **Competition from existing platforms:** ONDC will face competition from the existing e-commerce platforms, which have a large user base and a strong brand presence.
- **Regulation:** The government needs to put in place clear regulations for ONDC to ensure that it operates in a fair and transparent manner.
- **Acceptance by sellers:** ONDC will need to be accepted by sellers in order to be successful. Some sellers may be reluctant to switch to ONDC, as they may be comfortable with the existing platforms.
- **Lack of a Robust Grievance Redressal Mechanism:** The lack of clarity on responsibility for customer service and handling complaints may deter people from joining the platform.

In conclusion, the 'Open Network for Digital Commerce' (ONDC) holds significant promise for transforming the e-commerce landscape in India. By promoting inclusivity, decentralisation, and fair competition, ONDC can empower small businesses, provide consumers with more choices, and increase transparency in the market. To ensure its successful implementation, addressing technical challenges, raising awareness, establishing clear regulations, and implementing a robust grievance redressal mechanism are crucial steps forward.

#### Sources:

ONDC releases learning resources for merchants as more sellers join platform – The Hindu  
 ONDC announces launch of ONDC Academy for sellers, other network participants to grow online | The Financial Express  
*Infographics – Internet Freedom Foundation*

#### Q1. With reference Open Network for Digital Commerce (ONDC), consider the following statements:

1. ONDC is a technology infrastructure backed by the Government of India.
2. ONDC follows a platform-centric digital commerce model.
3. ONDC aims to promote democratisation and decentralisation of eCommerce.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- (b) 1 and 3 only
- (c) 3 only
- (d) 1, 2 and 3

**Answer: (b)**

**Q2. Consider the following statements:**

1. Open Network for Digital Commerce (ONDC) is expected to lead to lower prices for consumers due to reduced business costs.
2. ONDC will restrict consumer choices as it focuses on a limited range of sellers.
3. ONDC will improve transparency in the e-commerce market, making price comparison easier.
4. ONDC will allow interoperability between different e-commerce platforms.

How many of the abovementioned statement/s is/are correct ?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All Four

**Answer: (c)**

**Q3. Discuss the major objectives of Open Network for Digital Commerce (ONDC) and its potential impact on democratising and decentralising eCommerce in India.**

*Gaurav Nikumbh*

## INTELLECTUAL PROPERTY RIGHTS POLICY MANAGEMENT FRAMEWORK (IPRPM)

*This article covers "Daily Current Affairs" and the topic details "IPRPM". The topic "IPRPM" has relevance in the Economy section of the UPSC CSE exam.*

**For Prelims:**

*IPRPM Framework – Key Highlights?*

*Initiatives under IPR Policy?*

**For Mains:**

*GS 3: Economy*

*Key Highlights of the Report?*

*About Intellectual Property Rights (IPR)?*

*Treaties and Conventions related to IPR?*

*Way Forward?*

**Why in the news?**

The Ministry of Commerce and Industry, Government of India, has recently apprised the Rajya Sabha about the implementation of the Intellectual Property Rights Policy Management (IPRPM) Framework.

**IPRPM Framework – Key Highlights:**

**About:** The IPRPM (Intellectual Property Rights Policy and Management) Framework was launched as the National IPR Policy 2016, consolidating all Intellectual Property Rights into a single vision document. It establishes an institutional mechanism for implementation, monitoring, and review of IP laws in India.

**Types of intellectual property rights covered:** (i) Patents, (ii) Trade mark, (iii) Industrial Designs, (iv) Copyrights, (v) Geographical Indications, (vi) Semiconductor Integrated Circuit Layout Design, (vii) Trade Secret, and (viii) Plant Varieties.

RIGHT AREA	LEGAL PROVISION	SUBJECT	TERM OF PROTECTION
Patent	Patent Act, 1970 & Patent Rules, 2003 amended in 2014, 2016, 2017, 2019, 2020, and 2021	Must qualify requirements of being novel, Inventive, and having industrial utility	20 years
Trademarks	Trademark Act 1999 & Trademark Rules 2017	Protects brand name, logo, design for a business or commercial enterprise	10 years; renewed for 10 years on payment of additional fees
Designs	Designs Act 2000 & Designs (Amendment) Rules 2021	New or original designs (ornamental/visual appearance discernible to the human eye) which can be replicated industrially	10 + 5 years
Copyrights	Copyrights Act 1957 & Copyrights Rules 2013 amended in 2021	Creative, artistic, literary, Musical, and audio-visual works	Authors – Lifetime + 60 years; Producers – 60 years Performers – 50 years
Geographical Indications	Geographical Indications Act 1999 & GI Rules 2002 amended in 2020	Goods bearing unique characteristics due to geographical linkage – agricultural goods, natural goods, manufactured goods, handicrafts, and foodstuff	10 years, renewed for 10 years on payment of additional fees
Semiconductor Integrated Circuits Layout Design	Semiconductor Integrated Circuits Layout Design Act 2000 & Rules 2001	A layout of transistors and other circuitry elements including lead wires connecting such elements and expressed in any manner in semiconductor integrated circuits	10 years
Trade Secret	Common Law approach covered through IPC, Contract Act, IP Act, and Copyright	Confidential information having commercial value	Till the time confidentiality is safeguarded
Plant Varieties	Protection of Plant Varieties and Farmers Rights Act (PPVFRA), 2001	Traditional varieties and landraces, all developed varieties (non-traditional and non-landrace) in trade/use for older than 1 year and not older than 15 years or 18 years (in case of trees and vines), and new plant varieties	Varies depending on the type of variety

### **Objectives:**

- **IPR Awareness:** Create public awareness about the economic, social, and cultural benefits of IPRs.
- **Generation of IPRs:** Stimulate the generation of Intellectual Property Rights.
- **Legal and Legislative Framework:** Strengthen and balance IPR laws to safeguard both rights owners and public interest.
- **Administration and Management:** Modernize and strengthen service-oriented IPR administration.
- **Commercialisation of IPRs:** Facilitate value generation from IPRs through commercialization.
- **Enforcement and Adjudication:** Strengthen mechanisms to combat IPR infringements effectively.
- **Human Capital Development:** Enhance human resources, institutions, and capacity-building in IPRs through teaching, training, research, and skill development.

### **Initiatives under IPR Policy:**

- **National Intellectual Property Awareness Mission (NIPAM):** Impart IP awareness and basic training in educational institutes.
- **National Intellectual Property (IP) Awards:** Recognize and reward top achievers in IP creations and commercialization.
- **Scheme for Facilitating Start-Ups Intellectual Property Protection (SIPP):** Encourages Startups to file Patent applications.
- **Patent Facilitation Programme:** Provides support in scouting patentable inventions and obtaining patents.

### **About Intellectual Property Rights (IPR):**

IPRs are rights given to creators over their intellectual creations, granting exclusive rights for a specific period. Recognized under Article 27 of the Universal Declaration of Human Rights, IPRs protect the interests of authors, inventors, and creators.

### **Need for IPR:**

- **Encourages Innovation:** Legal protection fosters commitment to innovation.
- **Economic Growth:** Promotes economic growth, job creation, and enhanced quality of life.
- **Safeguards Creators:** Grants creators time-limited rights over their creations.
- **Ease of Doing Business:** Facilitates innovation and ease of conducting business.
- **Transfer of Technology:** Facilitates technology transfer through FDI, joint ventures, and licensing.

### **Issues related to IPR Regime:**

- **Patent-Friendliness Over Public Health:** Concerns over prioritizing patent interests over public health in the pharmaceutical sector.
- **Data Exclusivity:** Demands for data exclusivity laws to protect against unfair commercial use of test data by foreign investors.
- **Resulting in Anti-Competitive Market:** Need for balanced enforcement that benefits all stakeholders and avoids anti-competitive outcomes.

### **Treaties and Conventions related to IPR:**

- **Global:** India is a member of the WTO and committed to the Agreement on TRIPS. It is also a member of WIPO, and various international treaties related to IPR, including the Paris Convention, Berne Convention, and Patent Cooperation Treaty.
- **National:** The Indian Patent Act 1970 is the principal law governing the patenting system in India, amended in 2005 to extend product patents to various fields.



### Way Forward:

- India must strike a balance between innovation and access to essential goods like medicines.
- The IPR laws need regular review and updates to address emerging challenges posed by digital technologies.
- Flexibility in the IPR regime is necessary to adapt to evolving technology and business models.

### SOURCE:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1941489>

### Q.1 With reference to the 'National Intellectual Property Rights Policy', consider the following statements:

1. It reiterates India's commitment to the Doha Development Agenda and the TRIPS Agreement.
2. Department of Industrial Policy and Promotion is the nodal agency for regulating intellectual property rights in India.

### Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

**Answer: (c)**

### Q2. Consider the following statements:

1. According to the Indian Patents Act, a biological process to create a seed can be patented in India.
2. In India, there is no Intellectual Property Appellate Board.
3. Plant varieties are not eligible to be patented in India.

### Which of the statements given above is/are correct?

- (a) 1 and 3 only
- (b) 2 and 3 only
- (c) 3 only
- (d) 1, 2 and 3

**Answer: (c)**

### Q.3 In a globalized world, Intellectual Property Rights assume significance and are a source of litigation. Broadly distinguish between the terms—Copyrights, Patents and Trade Secrets.