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## **2. Foreign Contribution to PM-CARES Fund**

**Prelims Syllabus:** Environment – Disaster Management.

**Mains Syllabus:** GS-III Indian Economy and Issues Relating to Planning, Mobilization of Resources, Growth, Development and Employment.

### **Why in News?**

- The Central Government has decided to accept contributions from abroad, irrespective of the nationalities, to the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM-CARES) Fund.

### **Key Points:**

- Now the foreign governments, NGOs, and nationals can contribute to the Fund.
- It has been said that the contribution to PM-CARES is not "aid" and the foreign contribution is "only" applicable to the PM-CARES fund and not any other fund like the Prime Minister's National Relief Fund.

### **Significance of the Move:**

- The move is a major policy change as in the past 16 years India has not accepted any foreign aid.
- It has to be remembered that the government refused to accept foreign aid to flood-ravaged Kerala since it was following the disaster aid policy set in December 2004.
- After a tsunami hit India in December 2004, the government felt that it could cope up on its own. Since then, India has followed the policy of not accepting aid from foreign governments.

### **About PM-CARES Fund:**

- PM-CARES is set up as a public charitable trust with the trust deed registered on March 2020. It is meant for supporting relief or assistance of any kind relating to a public health emergency or any other kind of emergency, calamity or distress, either man-made or natural.
- It includes the creation or upgradation of healthcare or pharmaceutical facilities, funding relevant research or any other type of support.
- Donations to fund can avail **100% tax exemption**.
- PM-CARES is different from the Prime Minister's National Relief Fund (PMNRF).