



PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub: Drafting policies / regulations regarding adoption of disruptive technologies / business models

Read: Government Order No: ITD 27 PRM 2015 dated:27.11.2015.

PREAMBLE:

The emergence of new technologies and business models is changing the face of many product and service markets in India and globally. In many cases, these innovations are already challenging and disrupting incumbents and such technological progress and innovation looks set to accelerate as we move towards a digital world. Many of these innovations raise significant regulatory questions, such as - Is regulation holding back or facilitating this innovation? How can regulators adapt to these changes? What are the examples of best practices to date? How can regulators better reflect the interests of start-up companies/ industries that haven't even been created yet?

Regulators need to adopt a pro-innovation culture. Rather than a pernicious dynamic of 'box ticking', regulators should design regulatory processes which mirror the growth phases of start-ups as far as possible, aligning regulatory requirements with the different stages in a start-up's life-span as it seeks to raise capital. To make a disruptive technology usable, safe, accessible to all and within the laws of the land, many stakeholders have to come to an agreement with it. Some of the largest stakeholders in this process are - the Government, the Targeted User Group, sector specialists, industry body/associations working in relevant sectors and the groups affected by the disruption.

Government has the responsibility to ensure interests of all the stakeholders are largely met when such a disruption arises in the society. The decisions made by the relevant Government bodies has major impacts on the lives of many including the founder of the disruptive idea, the possible beneficiaries, citizens and markets. The Department of IT, BT & ST in its continued efforts to promote the culture of Innovation & Startup ecosystem in the State, would like to outline a process for it to draft policies/regulations to enhance adoption of disruptive technologies/ business models.

During the year 2017-18, department prioritized engagement with following emerging technologies:-

Technology	Key Partners	Engagement	Enablement
AI & Data Science	KBITS and NASSCOM	Stakeholder consultation meeting Detailed Project proposal with Financials	CoE for Artificial Intelligence and Robotics
MI & Robotics	IITB	Artificial Intelligence and Robotics (CAIR) Centre Visit Detailed Project proposal and Financials	CoE for Machine Intelligence and Robotics
AVGC	KBITS along with ABAI	Round table with Industry Detailed Project proposal and Financials	CoE for Animation, Visual Effects, Gaming and Comics
Cyber Security	KBITS along with 16 other partners	Workshop, Consultation meetings with stakeholders Framework document	CoE for cyber security
Blockchain	IEEE - EY	Consultation meetings Hackathon Conclave International	Roadmap for Blockchain in Government in Karnataka Pilots

The Department has planned the following during the year 2018-19:-

- **CoE for Design Sense** to promote design driven innovation in emerging tech sectors.
- **Karnataka Innovation Authority** - to encourage cross domain innovations, under the Chairmanship of Hon'ble Chief Minister with the authority for setting up of **Regulatory Sandbox** data sand boxes.

Hence the Order.

GOVERNMENT ORDER NO: ITD 13 PRM 2018 (II), BENGALURU:

Dated:26.04.2018.

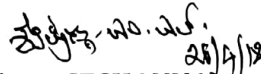
In view of the above, Department of IT, BT & ST, Government of Karnataka will follow the below mechanism to draft policies / regulations regarding adoption of disruptive technologies / business models:-


- I. **Technology Selection & Prioritization** – As part of the annual Strategy and vision, the Department along with its core Vision groups, Karnataka Innovation Authority & Startup Cell shall identify the technologies that it intends to prioritize for the year for support & promotion.
- II. **Consultations** – The department shall hold recurring consultations with Industry Associations, Academia, Startups, and all relevant stakeholders to identify & draft regulations that should be introduced considering long term impact of specific technology / business model.

III. **Technology Specific Frameworks** – Post consultations, review and feedback from various groups on the prioritized technologies and corresponding regulations, the Department shall identify the action required for every specific Technology or sub Technology :-

- a. **Policy** to encompassing a wide spectrum of possible interventions to accelerate or enable the developmental trajectory and diffusion of a new / disruptive technology.
- b. **Whitepaper / Roadmap** providing thought leadership, vision and technology adoption roadmap in collaboration with Industry experts and Subject Matter Experts.
- c. **Centres of Excellence** as a team, shared facility, entity that provides incubation, best practices, research, support and/or training in focus areas for sustained engagement with technology by Academics Industry and Startups.
- d. **Curated Tech Community Events** to bring in Industry Experts, VCs, Startups, Academia together to ideate on the Technology, share best practices, identify & share challenges with best fit solutions etc. along with creating a networking platform for all groups to benefit from each other.
- e. **Hackathons** to engage with enthusiastic tech developers and designers to solve challenges in a unique manner.

**By Order and in the Name of the
Governor of Karnataka**


(M.L. SESHANNA)

Under Secretary to Government,
Department of Information Technology,
Biotechnology and Science & Technology.
 (Science and Technology)

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