

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA UNSTARRED QUESTION NO.619
TO BE ANSWERED ON 06.02.2023

Regulation of Web3 Sector

619. SHRI VINCENT H. PALA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has prepared any roadmap for the future to regulate the Web3 sector in the country, and if so, the details thereof;
- (b) whether the Government has undertaken any consultation process in the past with the relevant stakeholders, including industry, on the regulation of Web3 and related policy formulations, and if so, details thereof;
- (c) whether the Government is undertaking any initiative to create awareness about the Web3 ecosystem and have plan to engage with the industry in this regard; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): Web3 refers to the next generation of the internet, characterized by decentralized technology and increased user control over data and privacy. The technologies related to Web3 and Blockchain are still evolving. Currently, there is no specific regulation for Web3 other than the provisions of the IT Act 2008 and the Information Technology (Intermediary Guidelines and the Digital Media Ethics Code) Rules 2022. Further, Ministry of Electronics & Information Technology (MeitY) has released the National Strategy on Blockchain. This document provides strategies and recommendations for the Indian Blockchain ecosystem to harness the benefits of this emerging technology by focusing on technological and administrative aspects. The strategy document is available at <https://www.meity.gov.in/content/national-strategy-on-blockchain>.

(c) & (d): The Government is cognizant of the emergence of these technologies and has been taking steps to create awareness and the ecosystem building around Web3. During Digital India Week in July 2022, MeitY had organized a panel discussion on “Metaverse and Web3”. Further, Government of India is supporting industry in organizing conferences on Web3 and related technologies for understanding the ecosystem and their challenges.
