

# Draft Data Centre Policy, 2020

January 22, 2021

## In News

- The Ministry of Electronics & Information Technology (MeitY) has released the Draft Data Centre Policy, which aims to simplify clearances for setting up data centres in the country.

## Aim

- Making India a Global Data Centre hub, promote investment in the sector, propel digital economy growth, enable provisioning of trusted hosting infrastructure to fulfil the growing demand of the country and facilitate state of the art service delivery to citizens.

## Vision of the Draft Data Centre Policy

- Making India a Global Data Centre hub,
- Promote investment in the sector,
- Propel digital economy growth,
- Enable provisioning of trusted hosting infrastructure to fulfil the growing demand of the country and facilitate state of the art service delivery to citizens.

## Provisions of the Draft Data Centre Policy

- Providing Infrastructure Status to the Data Centre Sector, at par with other sectors like Railways, Roadways, and Power.  
Demarcation of specific zones with necessary infrastructure such as roads, running water and electricity to set up data centre parks.
- A single-window, time-bound clearance system for all the approvals required to set up a data-centre park.
- Formulation of Data Centre Incentivization Scheme (DCIS) which will specify the intended beneficiaries,

applicability criteria and fiscal and non-fiscal incentives for the sector.

- Setting-up at least four Data Centre Economic Zones (DCEZ) in the country, as a Central Sector Scheme – DCEZ Scheme. DCEZs would create an ecosystem of Hyperscale Data Centres, Cloud Service Providers, IT companies, R&D units and other allied industries.
- In order to address the issues around the high consumption of power, data centre parks would be encouraged to set up their own power generation units, and use renewable energy.
- Data centres will be declared as an Essential Service under “The Essential Services Maintenance Act, 1968 (ESMA)” which means that there would be a continuity of services even during times of calamities or crisis.
- Strengthening the Atmanirbhar Bharat initiative by identifying possible opportunities of manufacturing of data centre equipment (IT as well as non-IT) in the country.
- Collaboration with the Ministry of Skills Development and Entrepreneurship (MSDE) and leading academic institutes to impart large scale training to workforce on Data Centre, Digital and Cloud technologies, and facilitate sector linkages for such trained workforce.
- An Inter-Ministerial Empowered Committee (IMEC) would be set up under the Chairmanship of Secretary, MeitY, with participation from various Central Ministries and State Governments.
- An independent Data Centre Industry Council (DCIC) is proposed to be set up, which would act as an interface between the sector and the Government.

### **Key Features of the Policy**

- **Infrastructure Status:** Provide Infrastructure Status to the Data Centre Sector at par with other sectors like Railways, Roadways and Power.

- **Single Window Clearance:** A single-window, time-bound clearance system for all the approvals required to set up a data-centre park.
- **Incentivization Scheme:** Formulation of Data Centre Incentivization Scheme (DCIS) which will specify the intended beneficiaries, applicability criteria and fiscal and non-fiscal incentives for the sector.
- **Essential Service:** Data centres will be declared as an Essential Service under “The Essential Services Maintenance Act, 1968 (ESMA)” which means that there would be a continuity of services even during times of calamities or crisis.
- **Inter-Ministerial Empowered Committee(IMEC):** It would be set up under the Chairmanship of Secretary, MeitY with participation from various Central Ministries and State Governments to facilitate the implementation of various measures in the sector.
- **Data Centre Industry Council(DCIC):** An independent Data Centre Industry Council(DCIC) is proposed to be set up which would act as an interface between the sector and the Government.
- **Training:** Collaboration with the Ministry of Skills Development and Entrepreneurship(MSDE) and leading academic institutes to impart training to workforce on Data Centre, Digital and Cloud technologies, and facilitate sector linkages for such trained workforce.
- **Data Centre:** It is a dedicated secure space within a building/centralized location where computing and networking equipment is concentrated for the purpose of collecting, storing, processing, distributing or allowing access to large amounts of data.
- **Data Centre Parks:** These are specialized secure Data Zone, strategically located with the most conducive non-IT and IT infrastructure, and regulatory environment for housing mix of small scale/large scale clusters of Data

Centres to serve the high needs of compute, storage, networking and provision of a wide range of data-related services.