

From: “Report on esports and video games” (Rapporteur: Laurence Farreng)
voted on by the CULT Committee of the European Parliament (October 3, 2022)

Important points regarding esports:

Recitals

A. whereas the video game ecosystem has become a **leading cultural and creative industry** (CCI) all over the world, with an estimated European market size of EUR 23.3 billion in 2021, **counting over 4.900 game studios, 200 game publishers** and has **great potential for growth, innovation, creativity and triggering positive change for the whole sector**; [...]

[...]

B. [...] **whereas there is a strong gender imbalance in esports; whereas getting more women into video games and esports should be framed as a strategic priority**;

[...]

D. [...]; whereas a video game is first and foremost a work of intellectual property (IP) on which the value chain is based; **whereas the issue of IP ownership and control impacts the complexity of the legal structure of the ecosystem, and creates new legal challenges for streamers, developers, publishers and third-party content holders**;

[...]

F. whereas **esports are competitions where individuals or teams play video games, typically before spectators, either in-person or online, for the purpose of entertainment, prizes, or money; whereas the definition encompasses a human element, such as players, a digital element, such as video games, and a competitive element**; whereas esports could be considered not only part of the video game sector, but also part of the culture **and** media sectors;

G. whereas the video game and **esports** ecosystems are **strongly impacted by research, technological and creative innovation** and must constantly be reinvented; **whereas the innovative value of the sector should also be acknowledged, as much as its cultural added-value**;

[...]

L. whereas esports are still a young **phenomenon with high capacity to evolve and transform other sectors** at EU and national level **and which develops differently across Member States**;

M. whereas **esports differ from sports in that they are digital by definition**; whereas esports is a phenomenon that **is essentially driven by private entities**, with the IP rights belonging to the game publisher **and competition rights either to the game publisher or arranged on a contract-by-contract basis**;

N. whereas esports are **an increasingly popular** entertainment activity, characterised by both a large **video game** player base and a small number of professional **players and teams**; **whereas esports starts at amateur level, but can also be practised at semi-professional or professional level by teams and players**;

O. whereas the video games and esports are above all **founded on a highly internationalised market** with few barriers to the circulation of goods and services; *whereas access to the latest hardware and software is critical for the dynamism and competitiveness of the European video game and esports ecosystems;*

*O a (new). whereas, **although the European Union is a major actor in the video game ecosystem, the industry is largely dominated by non-EU actors;** [...]*

O b (new). [...] **whereas esports can also be incorporated in education and contribute to the acquisition of digital competences and skills;**

O c (new). [...] **whereas on the other hand, video games and esports can provide significant mental health benefits for many players and have the capacity to disseminating positive values, which should be pursued notably for the younger audience;**

*O d (new). whereas esports and video games also **represent challenges linked to the digital world for the European society;** whereas some of those challenges include **cheating, adverse impacts on environmental sustainability, online features that can be misused for online violence or harassment, in particular towards female players and disinformation;***

[...]

*whereas the monetisation of video games through **micro-transactions, in-game currencies and loot boxes containing random in-game content are common in some video games;** whereas loot boxes can optionally be paid for with real money; whereas aggressive designs could potentially have harmful financial consequences for players, especially minors or most vulnerable ones, through unwanted or uncontrolled spending; whereas, in some cases, lootboxes can be considered a “pay-to-win” mechanism; whereas a **unified EU approach is needed to ensure a robust consumer protection;***

Paragraphs

1. Calls on the Commission and the Council to acknowledge the value of the video game ecosystem as a major CCI with strong potential for *further growth and innovation*; calls for the development of a *coherent European* long-term video game strategy *benefiting fairly and adequately all actors involved, taking into account the current dependence on imports, esports and building on existing national strategies in order to support EU actors and EU start-ups in these sectors*;

[...]

4. Stresses that it is essential to have *harmonised and reliable European industry data* on the video game and esports sectors in order to deliver evidence-based assessments and recommendations, including on diversity and inclusion; calls on the Commission to create a European Video Game Observatory to *support and* provide decision-makers and stakeholders with harmonised data, assessments and concrete recommendations with a view to developing the sector; *considers that the European Video Game Observatory could be also seen as a knowledge network to support dialogue for a more integrated sector*;

4 a (new). Invites the Commission to *propose a revision of the relevant NACE codes* in which video game developers, publishers and esports are reviewed, clarified and streamlined to address the challenges of the sector based on inadequacy of the current statistical classification;

[...]

5 a (new). [...] calls on the Commission to continue this process by fostering *interdisciplinary research on video games and esports* and to present the communication on this issue accordingly, and if necessary to propose appropriate measures having in mind the protection of young players, especially minors;

5 b (new). Acknowledges the *need to safeguard esports* from problems with *match-fixing, performance enhancement including doping and illegal gambling*; *underlines the necessity to prevent doping and match-fixing in professional gaming and educate players about it as well as to protect the integrity of competitions*;

6. Calls on the Commission to *explore synergies between the video game sector and its innovation strategy*, particularly in the context of research on the metaverse *and having in mind protection of data privacy and cybersecurity challenges*, without losing sight of the esports phenomenon;

7. Highlights that, owing to their wide audience and digital component, video gaming and esports *have significant social and cultural potential to connect Europeans of all ages, genders and backgrounds, including older people and people with disabilities*; [...]

8. Stresses that video games and esports *have great potential to further* promote European history, identity, heritage, values and diversity through immersive experiences; *believes that they have potential to contribute to EU soft power*;

[...]

11. Insists that video games and esports can be a *valuable teaching tool* for actively involving learners in a curriculum *and for developing digital literacy, soft skills and creative thinking*;

[...]

12. Recalls the importance of European training courses dedicated to the video game professions *including its creative, technical, legal and economic aspects*; stresses the *need to develop* leading educational programmes in Europe, *including in public institutions and universities, bridging the gap between the current European curricula and the required set of knowledge and skills for video games professions*, and pursuing a proactive policy to foster gender equality and inclusivity in the sector;

[...]

14. Considers that *esports and sports are different sectors*, especially given the fact that video games used for competitive gaming or esports are played in a *digital environment and belong to private entities that have full legal control and all exclusive and unrestricted rights over the video games*; believes, however, that they may complement *and learn from* each other and promote similar positive values and skills, such as fair play, *non-discrimination* teamwork, *leadership, solidarity, integrity*, antiracism, *social inclusion* and gender equality;

15. Believes that, owing to the borderless nature of the discipline, *the European Union is the appropriate level at which to address the challenges of esports*; encourages the introduction of European mapping of esports actors at the local, regional and national level, enabling Europeans to get in touch with structures close to them, as well as facilitating the organisation of competitions and encouraging amateur esports; *stresses that such mapping could help raise awareness about and promote esports*;

16. Calls on the Commission to *develop a charter to promote European values in esports competitions, in partnership with publishers, team organisations, clubs and tournament organisers*; *welcomes, in this context, pre-existing tools, such as guiding principles of esports engagement adopted by the industry and esports codes of conduct that exist at national level to promote esports that are fun, fair, and enjoyed by players and organisers around the world in an open and inclusive environment*;

17. Asks the Commission to study the possibility of creating *coherent and comprehensive guidelines* regarding the status of professional *esports* players;

18. Calls on the Member States and the Commission to consider the *creation of a visa for esports personnel based on the Schengen Cultural and Sports visas, applicable to all personnel involved in running the esports competitions and participating in them, and to consider measures to facilitate visa procedures for video game workers coming to the European Union*;

19. Warns that *intensive video gaming can, in rare cases, lead to addiction and toxic behaviour as recognised by the WHO*; *stresses that esports players can suffer from a lack of exercise and high stress levels due to a lack of work-life separation and that the careers of professional esports players are often short, which creates an issue of their post-career reconversion*; believes that the EU should adopt a responsible approach to video games and esports by promoting them as part of a healthy lifestyle including physical activity, *in-person social interaction and cultural engagement*;

[...]

21. *Underlines that video games and esports bear a dual role in the ecological transition, both as **an industry that must act to become more ecological**, and as **a medium for raising players' awareness of climate and environmental issues**;*

[...]

23. *Highlights that video gaming can be a social activity allowing users to **socialise and spend time together**; underlines that stigmatisation around esports and video gaming is still widespread throughout society and should be addressed;*

24. *Considers that, despite the efforts that have been made in terms of accurate, equal and non-stereotypical **representation of women in video games**, progress must continue and go hand in hand with an increasingly equal presence of women in all positions in the value chain, as well as with the fight against sexual abuse and discrimination;*

25. *welcomes the Commission's guidelines on unfair business-to-consumer commercial practices; **highlights the need for increased transparency**, including the chance to win, of loot boxes and a harmonised European approach; stresses that the presence of loot boxes must be made fully clear and transparent to players, in particular to minors and their parents, in order to prevent risky behaviours calls on the Commission and the Member States to **consider legislative measures**, as deemed appropriate, to address issues linked to the phenomena of in-game monetisation, such as luck-based game elements and “pay-to-win” systems, taking into account all possible means to protect those players most vulnerable to aggressive designs, such as minors;*

26. *Recognises the potential of video games in the sports genre and of virtual sports for **exploring new forms of fan engagement and increasing the level of youth participation in physical activities**; encourages partnerships between all relevant stakeholders in video games and sports sectors in order to create new projects that bring added value to players and audiences;*

27. *Highlights the **important role that cities and regions can play in ensuring access to infrastructure capable of hosting esports events or facilitating access to video games for all**; underlines in this regard that public spaces, such as libraries, can play an important role to promote video game culture and provide access for all, regardless of their socioeconomic situation, to video games and video gaming devices, in accordance with the EU law on copyright; calls therefore on Commission and Member States to ensure sufficient funding for public spaces such as libraries to support this role;*