Committee on Culture and Education

2022/2027(INI)

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DRAFT REPORT

on E-sport and videogames
(2022/2027(INI))

Committee on Culture and Education

Rapporteur: Laurence Farreng

PR_INI

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on E-sport and videogames
(2022/2027(INI))

The European Parliament,

–   having regard to Articles 6 and 165 of the Treaty on the Functioning of the European Union (TFEU), which specify the competences and actions of the Union in the area of sport,

–   having regard to Regulation (EU) 2021/818 of the European Parliament and of the Council of 20 May 2021 establishing the Creative Europe Programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013[1], and in particular its media strand,

–   having regard to Regulation (EU) 2021/817 of the European Parliament and of the Council of 20 May 2021 establishing Erasmus+: the Union Programme for education and training, youth and sport and repealing Regulation (EU) No 1288/2013[2], and in particular the sport chapter thereof,

–   having regard to Directive (EU) 2018/1808 of the European Parliament and of the Council of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive) in view of changing market realities[3],

–   having regard to the Commission proposal of 15 December 2020 for a regulation of the European Parliament and of the Council on a Single Market For Digital Services (Digital Services Act) and amending Directive 2000/31/EC (COM(2020)0825),

–   having regard to the Commission proposal of 15 December 2020 for a regulation of the European Parliament and of the Council on contestable and fair markets in the digital sector (Digital Markets Act) (COM(2020)0842),

–   having regard to the Commission communication of 3 December 2020 entitled 'Europe's Media in the Digital Decade: An Action Plan to Support Recovery and Transformation' (COM(2020)0784),

–   having regard to its resolution of 17 September 2020 on the cultural recovery of Europe[4],

–   having regard to its resolution of 25 March 2021 on shaping digital education policy[5],

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[1] OJ L 189, 28.5.2021, p. 34.
[2] OJ L 189, 28.5.2021, p. 1.
[3] OJ L 303, 28.11.2018, p. 69.
[4] OJ C 385, 22.9.2021, p. 152.
[5] OJ C 494, 8.12.2021, p. 2.

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–   having regard to its resolution of 20 October 2021 entitled 'Europe' s Media in the
     Digital Decade: an Action Plan to Support Recovery and Transformation'[6],

–   having regard to its resolution of 23 November 2021 entitled 'EU sports policy:
     assessment and possible ways forward'[7], and in particular its call for the EU institutions
     to launch a debate on the future and on the opportunities of e-sports and to collect data
     in order to assess this sector and present a study on its social and economic impact,

–   having regard to the Council resolution of 1 March 2002 on the protection of
     consumers, in particular young people, through the labelling of certain video games and
     computer games according to age group[8],

–   having regard to the Council conclusions of 4 April 2022 on building a European
     Strategy for the Cultural and Creative Industries Ecosystem[9],

–   having regard to its study [to be published in April 2022] entitled 'E-sports'[10],

–   having regard to Rule 54 of its Rules of Procedure,

–   having regard to the report of the Committee on Culture and Education (A9-0000/2022),

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
     2020[11], and has great potential for growth; whereas this industry is the only CCI to have
     experienced turnover growth during the COVID-19 crisis[12];

B.   whereas the video game industry employed approximately 87 000 people in Europe in
     2019[13], of whom only an estimated 20 % are women[14];

C.   whereas half of all Europeans consider themselves to be video game players, of whom
     almost half are women, and the average age of a video game player in Europe is 31.3
     years[15];

D.   whereas the video game industry has a complete value chain based on innovation and
     creativity, bringing together a wide range of skills and know-how; whereas a video
     game is first and foremost a work of intellectual property (IP) on which the value chain
     is based;

E.   whereas the European video game industry is mainly made up of small and medium-
     sized enterprises (SMEs);

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[6] Texts adopted, P9_TA(2021)0428.
[7] Texts adopted, P9_TA(2021)0463.
[8] OJ C 65, 14.3.2002, p. 2.
[9] OJ C 160, 13.4.2022, p. 13.
[10] Scholz, T. M. and Nothelfer, N. (2022), Research for CULT Committee – *E-sports*, European Parliament,
Policy Department for Structural and Cohesion Policies, Brussels.
[11] ISFE, Europe's Video Games Industry, *ISFE-EGDF Key Facts*, 2021.
[12] EY, *Rebuilding Europe: the cultural and creative economy before and after the COVID-19 crisis*, January
2021.
[13] ISFE, Europe's Video Games Industry, *ISFE-EGDF Key Facts*, 2021.
[14] Ibid.
[15] Ibid.

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F.   whereas competitive video gaming, otherwise known as e-sport, could be considered not only part of the video game sector, but also part of the culture, media and sports sectors, and has clear digital and competitive elements;

G.   whereas the video game and e-sport ecosystems are strongly impacted by innovation and must constantly be reinvented;

H.   whereas these ecosystems still lack the harmonised data, definitions and legal frameworks required to enable them to embrace their full potential;

I.   whereas the video games ecosystem is private, but benefits from measures and incentives at national and EU level;

J.   whereas video games and e-sports use advanced technologies such as AI and virtual reality, and have initiated the creation of alternative virtual spaces such as metaverses;

K.   whereas video games and e-sports have great potential for use in EU educational policies and lifelong learning; whereas the use of video games in the classroom often encourages students to pursue careers in science, technology, engineering, the arts and maths (STEAM), and e-sports can help to develop several skills which are essential in a digital society;

L.   whereas e-sport is still a young sector at EU and national level;

M.   whereas e-sports differ from traditional sports in that they are digital by definition; whereas e-sport is a phenomenon that takes place in an essentially private setting, with the IP and competition rights belonging to the game publisher;

N.   whereas e-sport is a mass entertainment activity, characterised by both a large player base and a small number of professional teams;

O.   whereas the video game and e-sport sector is above all founded on a highly internationalised market with few barriers to the circulation of goods and services;

Video games and e-sports: challenges, opportunities and a European strategy

1.   Calls on the Commission and the Council to formally acknowledge the value of the video game ecosystem as a major CCI with strong potential for growth; calls for the development of a long-term video game strategy, also taking into account e-sports;

2.   Considers that the creation of a truly integrated European video game sector entails increasing the number of co-productions involving European actors; welcomes the fact that the Creative Europe Programme funds the European video game sector; regrets, however, the low amount of funding committed so far;

3.   Calls on the Commission to map and define the European video game industry, and to foster the creation of a 'European Video Game' label to improve the discoverability and encourage the dissemination of video games created in Europe;

4.   Calls on the Commission to create a European Video Game Observatory to provide decision-makers and stakeholders with harmonised data, assessments and concrete

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recommendations with a view to developing the sector;

5. Welcomes the Council's position on a European strategy for the cultural and creative industrial ecosystem, in particular on the definition, protection and promotion of our strategic cultural assets; declares its readiness to move forward on this subject, in particular with regard to European video game studios and catalogues;

6. Calls on the Commission to explore synergies between the video game sector and its innovation strategy, in particular in the context of research on the metaverse, without losing sight of the e-sports phenomenon;

7. Highlights that, owing to their wide audience and digital component, video gaming and e-sports 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 e-sports can promote European history, identity, heritage, values and diversity through immersive experiences;

9. Calls on the Commission to finance the establishment of a European Video Game Academy responsible for the promotion of video games showcasing European values;

10. Stresses that video games can quickly become heritage to be preserved and promoted; suggests that support be provided for the creation of an archive preserving the most culturally significant European video games;

11. Insists that video games can be a valuable teaching tool for actively involving learners in a curriculum; believes that the deployment of video games in school should be done in parallel with raising teachers' awareness of how best to use video games in their teaching;

12. Recalls the importance of European training courses dedicated to the video game professions; stresses the importance of developing leading educational programmes in Europe focusing on video games and of pursuing a proactive policy to foster gender equality and inclusivity in the sector;

13. Welcomes the work carried out by Pan European Game Information (PEGI) since 2003 to inform video game players and parents about the content of video games and in protecting minors from potentially inappropriate content; recalls that the role of parents is key in ensuring that children play video games safely;

E-sports: fair competitive video gaming within a European framework

14. Considers that e-sport and traditional sports are different sectors, especially given the fact that video games used for competitive gaming or e-sports belong to a private entity and are played in a digital environment; believes, however, that they may complement each other and promote similar values and skills, such as fair play, teamwork, antiracism 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 e-sport; encourages the introduction of European mapping of e-sport actors at local, regional and national level,

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enabling Europeans to get in touch with structures close to them, as well as facilitating the organisation of competitions and encouraging amateur e-sport;

16. Calls on the Commission to develop, in partnership with publishers, clubs and tournament organisers, a charter to promote European values in e-sport competitions;

17. Asks the Commission to study the possibility of creating a framework for harmonised rules regarding the employment status of professional e-sport players;

18. Calls on the Member States and the Commission to consider the creation of a visa for professional e-sport players, similar to the Schengen sports visa;

19. Warns that intensive video gaming, in particular for players seeking to become professionals, can lead to addiction and toxic behaviour; believes that the EU should adopt a responsible approach to video games and e-sports by promoting them as part of a healthy lifestyle including physical activity;

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20. Instructs its President to forward this resolution to the Council and the Commission.

EXPLANATORY STATEMENT

Video games represent a major ecosystem for the European Union, both in economic and cultural terms.

It is a cultural and creative industry worth 23.3 billion euros, which has experienced strong structural growth and still has great potential with the digital transition embraced by the European Union. Although the market is extremely international and video games seek a global audience, Europe has established itself as one of the world's leading markets for video games, as well as a key player in all stages of their development, from writing to distribution. The European Union has more than 80 000 people working in the sector and is home to some 5 000 development studios of all sizes, some of which are world leaders, such as Ubisoft, CD Projekt and Paradox.
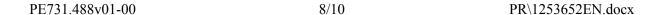
For the Rapporteur, video games are both an industry whose competitiveness the EU can promote, and a prime area for promoting European identity and values, particularly in this European Year of Youth (more than two-thirds of 6-24 year-olds declare that they play video games).

A prominent economic, creative and technological industry

The structure of the video game industry is such that it involves a multitude of players in the creation of a game: artistic creation, development, writing, game design, testing, publishing, communication, localisation, distribution, etc. It is sometimes difficult for the industry to know its composition and potential because of blurred nomenclatures (multiplicity of careers and skills, divergent status in the Member States, etc.). The Rapporteur therefore recommends collecting more data on the way the sector operates and on the major trends that run through it, with the creation of a European Video Game Observatory, following the model of the European Audiovisual Observatory.

The EU supports the creation of video games via its Creative Europe programme, but the small amount allocated (for example EUR 6 million in 2022) and the strict eligibility criteria cannot constitute a real support plan for co-productions and the creation of European video games. Moreover, the value chain is intrinsically based on the development of the game as an object of intellectual property. Thirdly, as the sector is built on innovation, games can quickly become outdated and studios need to adapt to the latest technological standards, or to the latest generation of devices that come out every 5 to 10 years. Therefore, the video game industry is and will be in constant need of funding and investment, that the EU should help to provide.

Finally, it is vital for the competitiveness of the European industry to increase the number of quality educational programmes leading to video game professions, often linked to the digital transition. The existence of these programmes and their graduates thus represents an important resource for Europe's digital dynamism, for example in the context of research on the metaverse, for which video games are a pioneer. Education is also the ideal stage to tackle the issue of gender equality in the sector, as, although the share of women working in video games is steadily increasing, only around 20 % of European video games workers are women.

An endless cultural and societal potential

At the same time, video games today represent a cultural and technological medium that cannot be overlooked, and which has taken a decisive place in society since the appearance of the video game industry fifty years ago. Today, they are a genuine total art form, bringing together techniques from other fields such as cinema, graphic arts, music and theatre, with constantly evolving technologies, in the service of a gaming experience. What began as a marginal practice for a handful of insiders has become in a few decades a mainstream medium practiced by half of Europeans aged 6 to 64, on smartphones, PCs and consoles.

It is therefore a very strong vector of links that knows no geographical boundaries and allows Europeans to be in direct contact with people of all generations and backgrounds, encouraging exchanges and discovery. Video games are therefore an area for the EU to invest in, to promote the values set out in its Treaties, highlighting democracy, diversity, anti-discrimination, tolerance and gender equality. Moreover, the narrative power of the medium makes it a space in which the European Union can showcase its rich history and heritage, for example through the 3D reconstruction of historical monuments or scenes from European history.

In this respect, the Rapporteur believes that video games are a useful educational tool, enabling learners of all ages to learn and play with concepts in a more interactive way, with the guidance and support of the teacher. Also, the introduction of video games in schools can also lead students to take up careers related to the sector: for example, girls who say they play video games are 3 times more likely to take up STEAM careers than non-gamers.

E-sport: a rapidly maturing practice

This report also seeks to have a thorough look at the practice of competitive video games, also called "e-sport" (short for "electronic sport").

It is difficult to define precisely the limits of e-sport, but, in the context of this report, the Rapporteur focuses on the fundamental differences between this practice and that of traditional sports. E-sport is distinguished by its central digital component, but also by the fact that all e-sports are based on intellectual property, the video game belonging to a private business operator. Consequently, the logic behind the organisation of competitions necessarily has a lucrative component, which is not the case for traditional sport, which is governed by federations with no commercial purpose. E-sport cannot therefore be compared to a real traditional sport, nor regulated as such and it is a cross-sectional phenomenon.

However, the values and skills associated with sport such as fair play and teamwork can be conveyed by e-sport, governed by rules that respect European values and fair competition. Moreover, the structuring of the e-sport environment partly mirrors that of traditional disciplines: many players practice eagerly to become excellent and hope to be part of the small elite of professional players, managed and employed by clubs. It should be noted that, due to the cross-border nature of video games, e-sport has given rise to truly European teams, where Europeans of all nationalities compete together, sometimes against teams from other geographical areas.

The Rapporteur therefore believes that a European policy to promote e-sport that respects European values could be further developed. In particular, the encouragement of a mapping of clubs, publishers and tournaments should be envisaged, in order to enable Europeans wishing

to play in teams to meet suitable structures. The creation, in Europe, of an environment adapted to the installation of teams, the organisation of tournaments and their multiplication, would benefit the ecosystem as a whole.

Challenges

Finally, it should be remembered that video games, whether competitive or not, can entail inherent risks, especially for young people. The Rapporteur therefore believes that video games should be part of a lifestyle in which physical exercise, socialising and school or work activities have their place. In this respect, the regulator must also ensure that games with sensitive content do not end up unsupervised in the hands of unsuitable audiences, or that the behaviour of players does not undermine the values upheld by the European Union. Although more and more risks relate not to the content of the game but to the context in which it is used, the rapporteur welcomes the industry's self-regulatory mechanisms such as the PEGI system, which has become a standard recognised throughout Europe, including by two-thirds of parents, and which has a crucial role to play in teaching people to play video games in a healthy manner.