



EUROPE'S
VIDEO GAMES
INDUSTRY



European
Games Developer
Federation

EGDF and ISFE Position Paper European Commission Consultation on Digital Principles

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Introduction

- 1. EGDF and ISFE welcome the opportunity to submit comments to the European Commission Consultation on Digital Principles. With the industry's strong digital footprint and with half of Europe's population playing video games, EGDF and ISFE are committed to a responsible, open, safe and sustainable digital future that will allow innovation, talent and skills to grow in Europe. The video game sector in Europe represents over 80,000 jobs and the European market is worth €23.3bn. The average European video game player is 31 years old and 47% of all European players are women.*
- 2. EGDF and ISFE's response aims to inform the European Commission of the views of Europe's video game sector on the proposed principles that are of particular relevance for it: (i) universal access to internet services, (ii) universal digital education and skills for people to take an active part in society and in democratic processes, (iii) accessible and human-centric digital public services and administration, (iii) open, secure and trusted online environments, (iv) children and young people in the online space, (v) digital products and services that protect the environment and (iv) human-centric algorithms.*
- 3. As an introductory remark, EGDF and ISFE recommend that careful consideration should be given to how the EU acquis may apply to specific principles. Because the acquis, and the limitations it imposes on some of the proposed principles, may not be known to all of Europe's citizens, businesses and administrations, it is of particular importance that any future digital principles are clear and understood by all.*
- 4. EGDF and ISFE welcome the fact that the Commission acknowledges freedom of expression and freedom to set up and conduct a business online as fundamental rights in the digital environment. Freedom of expression, including artistic creation, is fundamental to Europe's digital cultural diversity.*

Comments

Universal Access to internet services

5. *EGDF and ISFE believe that the proposed principles listed in the consultation regarding access to internet services are important and are an important part of the European Digital Single Market. As public services offered to citizens and businesses alike are increasingly available through the internet (in some cases, the internet is the only way to access such services), universal access must be ensured without discrimination.*
6. *The pandemic has demonstrated the vital role of internet access in securing access to culture, and the importance of better internet infrastructure and affordable data plans. The European Digital Single Market area can only lead in new innovations and secure digital growth and jobs, if a **high level of connectivity is ensured across Europe.***
7. *Regarding access and distribution of internet content and services without discrimination, **EGDF and ISFE recommend that such a principle should encompass and safeguard core European principles and values, enshrined in the EU Charter of Fundamental Rights and in various laws, such as the protection of personal data and privacy, and importantly the right to property, including intellectual property.** For example, the unauthorised distribution of content that infringes intellectual property rights is not permitted. EGDF and ISFE therefore recommend that the principles should refer to the limitations applicable to them to avoid misunderstandings or misinterpretation, as these limitations may not be understood by all.*

Universal digital education and skills for people to take an active part in society and in democratic processes

8. *EGDF and ISFE agree with the draft principles put forward in the area of education and skills as stating some of the most crucial objectives to achieve for an inclusive and competitive Europe. **Access to skills also needs to be considered in non-formal education settings.** Non-formal education has always played a crucial role in industries operating with emerging technologies often leading to changes in formal education curricula. This is particularly true for an industry that was founded in many European countries by non-formal youth groups, the so-called “demoscene”¹. Still today, the game jam movement plays an important role in helping to raise top industry talent in Europe.*
9. *While the proposed principles are laudable, Europe and its Member States are not yet able to fully ensure that Europe’s citizens can benefit from the principles. Internet access is not equal across Europe, access to devices is lacking in many educational establishments, and importantly*

¹ [Demoscene accepted as UNESCO cultural heritage in Germany - Demoscene - The Art of Coding \(demoscene-the-art-of-coding.net\)](https://www.unesco.org/en/rep/demoscene-accepted-as-unesco-cultural-heritage-in-germany)

across the EU, only 39.4% of teachers feel well or very well prepared for the use of digital technologies for teaching².

10. **EGDF and ISFE believe that it is crucial that teachers and educators receive adequate pedagogic training to acquire the required skills to teach their pupils to become digitally competent and literate citizens.** While connectivity and access to devices are prerequisites for universal digital education, teachers need to be empowered and trained to bring new digital skill sets to pupils and students.
11. *Public-private partnership in the field of education and upskilling of the workforce can support Europe to achieve its objectives. EGDF and ISFE actively engage in the area of education and teacher training because video games are increasingly an important vector in modernising teaching methods in the educational system, as successfully proved by the Games in Schools project, a joint European Schoolnet and ISFE project, which provides new skill sets to thousands of teachers across Europe. Over 4,000 teachers participated in a six-week long MOOC available for teachers³. Video games are quickly becoming part of learning processes and several governments in Europe now recognise video games as part of the educational process. Further, video games can support the EU in ensuring that the Digital skills part of the European Framework of Key Competences for Lifelong Learning achieves its goals because of their ability to help pupils and students to learn how to process information, solve problems, devise strategies, collaborate, innovate and to interpret information from a range of different media, both verbal and visual. Video games can also be seen as a means of developing particular skills or conceptual understandings or as a way of building logical or critical thinking abilities.*
12. *To further support an ecosystem moving towards universal digital education, information about curriculum requirements in various national education systems should be accessible. This would support developers of video games with specific educational purposes to access national markets and ultimately favour digital access to knowledge. As part of its data spaces strategy, the European Commission should foster harmonised data flows between educational institutions, providers of educational material (including video games developed for educational purposes) and learners.*
13. *Importantly, digital technologies allow the disabled population to take part in society in an unprecedented way. Accessibility features increasingly available on video game devices ensure that the disabled population can fully take part in video gameplay on equal terms whether for educational, social or entertainment purposes.*

Accessible and human centric digital public administrations

14. *Accessible and human-centric digital public services play a crucial role in securing the competitiveness of European digital industries. In particular, it would be important to:*

² [Education and Training Monitor 2019](#), p. 32 and 88.

³ [Education - ISFE](#)

- a. *make the Digital Single Market information services offered by national authorities more accessible, and*
 - b. *always have all national laws and guidance documents available in all the official EU languages, or at least in English, in addition to the official language. Similarly, European regulations related to the Digital Single Market and relevant court decisions should be available on a single website.*
15. *To ensure that Europe becomes a leader in the global digital economy, it must be an attractive place for foreign talent, especially for industry sectors in which Europe lacks a skilled workforce. Today, some of the key bottlenecks in the immigration process are caused by obsolete eGovernment solutions, or the lack thereof. Europe should strive to be a region where talent and their families are welcome by building a digital infrastructure that enables short deadlines to receive a Blue card or national residence permit cards, clear guidance on obtaining a residence permit, and accompanying family measures. The EU should support Member States in setting up accessible immigration application systems to ensure that Europe leads the Digital Economy.*

Open, secure and trusted online environments

16. *Diversity of opinions in an open and transparent online environment is the essence of a democratic, free and open society, and a basis for the creative expression and activity on which video games and other creative, cultural and entertainment sectors are based.*
17. *EGDF and ISFE welcome the fact that the proposed principles take into consideration the importance of tackling illegal content and goods. Their respective member companies are also important IP rights holders that rely on IP rights for the creation and commercialisation of their video games. They dedicate substantial resources to protect these rights and to detect and flag infringing content to relevant intermediary service providers, and also to address the damaging trade in unauthorised digital content or goods (i.e. digital assets that are available within game environments or that work alongside games, and that are traded in violation of publishers' rules and/or terms of service). **EGDF and ISFE recommend that this principle is further coordinated with the proposed principle relating to the ability to access and distribute content and services without discrimination in the universal internet access section. EGDF and ISFE believe that if the aim is that the Digital Principles are accessible and understood by all, they need to be clear also as regards their possible limitations.***
18. *Fundamental rights such as privacy of communications meet at the crossroads with the protection of minors online. Keeping in-game communication free from illegal and harmful content is paramount to protect minors. This is part of signatories' commitment in the PEGI Code of Conduct. Tools such as filtering technologies and moderation are being used to keep environments safe and welcoming to all. Furthermore, the industry's sophisticated parental control tools allow the management of children's online interaction and privacy and are a safeguard against minors being exposed to inappropriate content introduced by other players. **Therefore, EGDF and ISFE believe that where needed, the principles must make it clear that the concept of the best interests of the child, as enshrined in Article 3 of the UN Convention of the Rights of the Child, may justify the limitation of this principle.***

19. *It is crucial that the Commission should clarify how fundamental rights such as freedom of expression, freedom of the arts, freedom to conduct business and the protection of human dignity in the digital world should be balanced with the rights and freedoms of others.*

Protecting and empowering children and young people in the online space

20. *EGDF and ISFE welcome the attention that the European Commission places on the importance of protecting and empowering children in the online space. Because of video games' artistic, creative and technological features, a number of countries, such as Germany, Spain, France and the Nordic countries, have over the last decade acknowledged video games as an important cultural medium. At global level, UNESCO included video games in its statistical framework for cultural domains back in 2005.*
21. *Children's rights to play and to create in the digital environment are important and many children acquire skills, discover code and artistic creation and expression through video games. EGDF and ISFE believe that the right to leisure and to full participation in the cultural and artistic life of the 21st century means access to and freedom to play video games. It is important to remember that children are not just playing games. They are also creating them. **Consequently, it is important to address children's right to freedom of expression and their right to participate in artistic and cultural life in the context of their right to create games**, in addition to considering the playing of games as a form of self-expression. These rights should not be overlooked and need to co-exist alongside minor protection policies.*
22. *With many of Europe's children enjoying playing and creating video games, EGDF and ISFE and their affiliated members have a strong commitment to minor protection and a long history of positive action to ensure a safe gameplay environment: the Pan European Game Information System, supervised by national authorities and comprising a [Code of Conduct](#), a complaints board and an enforcement committee; the industry's investment in parental control tools; the use of various tools and safeguards to keep in-game communication features free from illegal and harmful content.*
23. *Since 2003, with the support of the European Commission and EU Member States, the video game sector has provided families with high quality and age-appropriate content through the PEGI system, used today in 38 European countries. PEGI informs parents about the age appropriateness of a video game, the content and the features present in the game so that an informed choice can be made prior to play and/or purchase. The PEGI App has been developed to further facilitate access to the right information so that parents can consult the age rating and content features present in a video game from their phone or tablet.*
24. *To supplement the PEGI system, the industry has in place best-in-class parental control tools, and family settings, allowing parents to manage their children's online interaction, for example to disable online interaction with others, to limit online interaction, or to pre-approve friend requests etc. In addition, the tools allow parents to set time limits for play time supporting them in ensuring a healthy balance as regards their children's, or their own, digital activity, to limit*

access to age-appropriate games only, and to disable or limit any in-game spending. The various options offered allow each family to choose the settings that work best for them. Member companies strive to enhance parental autonomy by providing easy to use tools in combination with adequate information about video games.

25. Further, the industry has in place various tools and safeguards to keep in-game communication features free from illegal and harmful content. This is part of the commitment to the PEGI Code of Conduct and affiliated members use a variety of tools and safeguards to protect minors from potentially harmful and/or illegal content. These include age gating, reporting tools, filtering software, moderation, muting and blocking tools. Pre-moderation of text chats is used by some for in-game communications that are particularly popular with children, where private information is hashed out prior to upload, as children may not always understand the risks associated with sharing contact details. Increasingly, technology is being developed to detect harmful behaviour and illegal material with the aim of keeping children safe. The presence of harmful and illegal content on in-game communication services is rare because of strict user terms and conditions and the tools in place as described above. Further, in those cases where illegal and harmful content has been encountered, 96% of parents claim that they take action⁴. Those parents that use the reporting tools in place on member companies' platforms to take action, find these are easy to use.
26. While the consultation raises many important points, **EGDF and ISFE would like to stress the important role of (i) continuous education and information and (ii) the role of parents in their children's digital space and education.** We believe that these two points need to be considered in any principles. Widespread education, awareness and knowledge about the tools that are in place to support parents and carers and to keep their children as safe in their online activities as in their offline activities are crucial. Part of the challenge is to educate parents on how to manage their children's digital activity. While decades of experience and best practices on how to manage the physical pastimes of our children has been acquired and integrated into our society, the digital pastime is a relatively new phenomenon. We need to create space for dialogue and understanding between parents and children to find a balance and to manage generational understanding and conflicts. It is equally important to ensure uptake of the tools available and put in place by the industry to support the management of online activities such as video gameplay. This is why the sector invests significant resources in communicating to parents and educators at national level, in local languages, about PEGI and the existing tools.
27. Laws and regulations have their evident place in our digital society. These can supplement - but not replace - the role that parents and educators have in educating the younger generation, to keep them safe and to teach them civic digital behaviour and digital literacy. **EGDF and ISFE strongly recommend that education and information are considered in the elaboration of any future Digital Principles that relate to the protection and empowerment of children and young people.**

⁴ Ipsos MORI Survey on use of in-game communication features 2020, commissioned by ISFE.

Digital products and services that protect the environment

28. EGDF and ISFE share the European Commission's conviction that addressing climate change is one of the most critical challenges of the 21st century. The video games sector has taken [numerous initiatives](#) to preserve the environment and is continuously striving to improve the energy efficiency of its devices and services. These include for example:

- action-based tools on how to get started with the climate agenda (e.g. open sourcing offsetting processes and data)
- best practices on aligning environmental and impact focused themes with video game projects
- sustainable video game development guides
- funding studies on the science of inspiring behavioural change through video games

29. In 2019, several video games companies joined the [Playing For The Planet Alliance](#) on the occasion of the UN Secretary-General's Climate Action Summit. Backed by the United Nations Environmental programme, UNEP, members of the Alliance have committed to numerous actions ranging from green activations in games to reducing their emissions and plastic usage⁵, as for instance reducing supply chain emissions by 55% by 2030 in the case of Microsoft⁶. The commitments involve:

- Corporate carbon footprint reductions and a collective shift to green energy
- Insertion of green nudges into games
- Commitments to offset emissions (from internal operations and gamers' devices)
- New circular economy design and recycling offerings to control plastic and e-waste
- Achieving more together

30. Further, following the adoption of the EcoDesign Directive in 2009 ([Directive 2009/125/EC](#)), leading console manufacturers (Microsoft, Nintendo, and Sony) agreed with the European Commission to further improve the energy efficiency of games consoles. The self-regulatory measures proposed by the console manufacturers were shown to generate greater energy saving than through the alternative adopted regulatory measures. Their engagement is codified under the [Games Consoles Voluntary Agreement](#) (VA), and includes concrete provisions related to energy and resource efficiency (including reparability and recyclability) which are applicable for both current and future generations of games consoles⁷. Over the lifetime of former generation consoles⁸, Signatories of the Agreement estimate energy savings to exceed 48.2TWh, which is equivalent to Portugal's annual energy production⁹. Preserving the ability of the sector to self-regulate is therefore essential and efficient to ensure that digital products are produced and used with the lowest possible environmental impact.

⁵ A full list of members and their commitments can be reached at <https://playing4theplanet.org/private-sector/>

⁶ In January, Microsoft went even further by [announcing its commitment](#) to be carbon negative by 2030.

⁷ More information on the Games Consoles Voluntary Agreement can be found at <https://efficientgaming.eu/>

⁸ PlayStation 4, PlayStation 4 Pro, Xbox One, Xbox One S, Xbox One X

⁹ Estimate verified in the European Commission's independent consultants' study published in 2019 on <https://efficientgaming.eu/>

31. Access to information related to the environmental footprint of digital products and services should be granted with respect to trade secrets and the protection of intellectual property. This is a safeguard embedded in Article 9(1)(e) of the Waste Framework Directive ([Directive \(EU\) 2018/851](#)). Further, businesses must have flexibility to ensure that the produced information is obtained, when required, through the recognised or generally accepted methods of their choice, thus ensuring the robustness of the information and its fitness for the specificities of the sector and/or the product covered.

Ethical principles for human centric algorithms

32. EGDF and ISFE agree with the European Commission that AI systems can have an important positive impact for individuals, society and businesses alike, and support the European Commission's efforts to establish a trustworthy, ethical and responsible AI and algorithm approach.

33. Video game companies play an important role in research and development of AI, and AI is used in controlled and managed environments by the industry for innovation and creation. In particular, AI is being researched and used in the creative process (content creation, improving animation quality), in the play experience itself by using AI to make a game more compelling or to adapt the levels, in improving digital and player safety, and in improving integrity in play by combatting cheating, fraud and abuse, but also in player support and quality assurance. The sector has long since adopted responsible data management where it takes great care to protect player data – whether used traditionally or by AI and to make sure the data is used in a manner consistent with privacy principles and regulations, such as the GDPR.

34. Because of the increased global nature of many digital sectors, including the European video game sector, the EU should aim to take a global approach, and should seek to ensure that there is transparency between regulatory approaches to facilitate legal compliance for Europe's businesses and SMEs in particular.

About

ISFE represents the video games industry in Europe and is based in Brussels, Belgium. Our membership comprises national trade associations in 18 countries across Europe which represent in turn thousands of developers and publishers at national level. ISFE also has as direct members the leading European and international video game companies (many of which have studios with a strong European footprint), that produce and publish interactive entertainment and educational software for use on personal computers, game consoles, portable devices, mobile phones and tablets. The video games sector represents one of Europe's most compelling economic success stories, relying on a strong IP framework, and is a rapidly growing segment of the creative industries¹⁰.

The European Games Developer Federation e.f. (EGDF) unites national trade associations representing game developer studios based 18 European countries: Austria (PGDA), Belgium (FLEGA), Czechia (GDACZ), Denmark (Producentforeningen), Finland (Suomen pelinkehittäjät), France (SNJV), Germany (GAME), Italy (IIDEA), Netherlands (DGA), Norway (Produsentforeningen), Poland (PGA), Romania (RGDA), Serbia (SGA), Spain (DEV), Sweden (Spelplan-ASGD), Slovakia (SGDA), Turkey (TOGED) and the United Kingdom (TIGA). Altogether, through its members, EGDF represents more than 2 500 game developer studios, most of them SMEs, employing more than 35 000 people.

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¹⁰ ISFE Key Facts 2020 from GameTrack Data by Ipsos MORI and commissioned by ISFE <https://www.isfe.eu/isfe-key-facts/>