

## **STATEMENT**

## **Video Game Industry Commitments to Further Inform Consumer Purchases**

7 August 2019 - Today several major video game companies announced new initiatives to help consumers make informed choices about their purchases. The initiatives were announced today at a workshop hosted by the Federal Trade Commission in Washington on loot boxes, attended by the Entertainment Software Association (ESA), ISFE's counterpart in the USA. Many of the member companies of the ESA and of ISFE, including console makers and publishers, will implement new policies to provide disclosures to inform consumers about the relative rarity or probability of obtaining randomised virtual items for their video games (e.g. loot boxes). The major console makers will require paid loot boxes for games developed for their platforms to disclose information on the relative rarity or probability of obtaining randomised virtual items and are targeting 2020 for implementation. Additionally, major publishers have agreed to disclose the relative rarity or probability of obtaining ingame virtual items from purchased loot boxes no later than the end of 2020. Several publisher members already provide disclosure and many additional members are considering a disclosure. These disclosures will apply to all new games and updates to games that add loot box features. For more information, please consult the ESA website https://www.theesa.com/perspectives/video-game-industry-commitments-to-furtherinform-consumer-purchases/

ISFE CEO Simon Little said: "ISFE welcomes today's initiatives to ensure global and industry-wide commitment to provide further transparency to our players by providing relative rarity or probability of obtaining randomised virtual items, commonly known as 'drop rates disclosure'.

The video game sector takes its responsibility to players and consumers, including minors, very seriously. ISFE is at the forefront of raising the bar in harmonised self-regulation across Europe and responsible game-playing via parental controls tools, information campaigns at national level and the Pan European Game Information body, PEGI, that issues the suitable age rating and content descriptors for each video game in 38 European countries".

Background information: The video games sector's commitment to transparency, responsible gaming and protection of minors

In its effort to ensure a high level of transparency towards consumers and players, in addition to today's initiative to disclose information about the relative rarity or probability

of obtaining randomised virtual items, the Pan European Game Information body, PEGI launched an <u>in-game purchase descriptor</u> in August 2018 to ensure that consumers are aware prior to the purchase of a video game if the game includes in-game purchases. The ingame purchases descriptor applies to all games that offer the option to purchase digital goods with real currency. It started appearing on physical releases towards the end of 2018, and was already applied to digital only games.

Importantly, the major game platforms have parental controls that allow parents to require prior authorisation for any in-game spending or to disable in-game spending completely. Through its pan-European age rating system, the sector runs information campaigns across Europe in local languages to inform about responsible play and to provide tips for parents. The video games industry takes its responsibility to children extremely seriously. ISFE aims to ensure that parents are informed about the video games their children are playing and importantly to provide parents with information how they can control their children's game play.

More recently, ISFE expressed concern about gambling sites that appropriate video games style characters and graphics to attract minors into gambling. ISFE calls on authorities to further support efforts to stop illegal practices such as "skin betting" where third party gambling sites allow minors to bet and trade on virtual items. Video games businesses do not allow, facilitate, or condone the conversion of virtual currencies or other in-game items into money or the use of them within unlicensed third-party gambling sites.

## Tips for parents:

- PEGI parental control tool guide: <a href="https://pegi.info/parental-controls">https://pegi.info/parental-controls</a>
- Information about responsible game play and link to national information campaigns: <a href="https://www.isfe.eu/responsible-gameplay/">https://www.isfe.eu/responsible-gameplay/</a>
- Tips for parents on how to deal with outside game trading and skin gambling: Information on PEGI: <a href="www.pegi.info">www.pegi.info</a>

## Contact

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Gamers are at the heart of what we do.

ISFE ensures that the voice of a responsible video games ecosystem is heard and understood, that its creative and economic potential is supported and celebrated, and that gamers around the world continue to enjoy great gaming experiences.