

E-sport, an international phenomenon with increasing media coverage

Professional video games competitions constitute a **rising activity** and the development of their legal framework was initiated with the law n°2016-1321 of 7th October 2016 for a digital republic (loi n°2016-1321 7th October 2016 pour une République Numérique). The objectives of this regulation were:

- To **legally secure** the organization of such competitions;
- To **clarify the status of professional players**; and
- To **encourage the development** of this activity in France.

Two decrees in application of such law were adopted and published in the Official Journal (Journal Officiel) on 10th May 2017.

The decree n°2017-871 of 9th May 2017 relating to the organization of video games competitions sets out the relevant conditions to fulfil to organize those competitions.

By way of background, Article 101 of the law of 7th October 2016 for a digital republic (loi du 7 octobre 2016 pour une République Numérique) defines the mandatory conditions for the organization of those competitions. The decree mentioned above modifies the Code of Internal Security (Code de la sécurité intérieure) and the Labor code (Code du travail) and determines:

In its 1st article:

- The **thresholds and ratios of financial equilibrium** applicable to video games competitions organizers (Articles R. 321-42 and R. 321-45 to R. 321-50 of the Code of Internal Security (Code de la sécurité intérieure));
- The **reporting procedure** to the Interior Ministry (Ministère de l'intérieur) via a teleservice; this reporting must be accomplished at least a year before the competition takes place. A file containing all the essential information (identity of the company organizing the event, type of games, place and dates of the event, estimated amount of the registration fees and organizational costs) must also be sent;
- The **conditions relating to the participation of minors** in such competitions; minors may only attend a tournament if they have the written authorization of their legal guardian, given that the participation to competitions with monetary rewards is prohibited for children under-twelve years old (articles R.

321-42 to R. 321-44 of the Code of Internal Security (Code de la sécurité intérieure)).

The decree also defines the concepts of **registration fees** and other financial sacrifices, specifies the **organizational costs** mentioned in Article L. 321-9 of the Code of Internal Security (Code de la sécurité intérieure) and fixes the total amount of rewards, above which the organizers must justify the existence of a guarantee mechanism (security, trust, insurance or escrow account), at 10,000 euros.

Sanctions (penalties for class 5 offences) are also provided in the event of non-compliance with such rules.

Article 2 of the decree **amends the Labor Code** (Code du travail) concerning **the participation of children** in shows, advertising and fashion events to address the participation of children under sixteen years old in video games competitions.

The **second text** is the decree n°2017-872 of 9th May 2017 relating to the **status of professional video games players** that will come in effect on 1st July 2017.

We should remember that Article 102 of the law defines professional video games players and obliges companies to get a ministerial authorization to employ those players.

This decree is applicable to associations and companies organizing video games competitions and employing professional video games players as well as to those professional video games players.

It provides:

- The **conditions to fulfill to get the authorization** to employ professional video games players (articles 1 to 8 of the decree);
- The **conditions under which a fixed-term contract** may be concluded during the video games competitions season (article 9 of the decree) for a duration of less than twelve months in order to:
 - ◆ **Create a team** to compete in a recently launched game;
 - ◆ Create a team to compete in a game, for which any other team of the same employer is competing on the same competition circuit;
 - ◆ **Create a new position** in an existing team.
- The **methods of determination of the dates on which the video games competitions season** starts and ends (article 10 of the Decree). The start and end dates of the video **games**

competitions season are set by a ministerial order. They may be fixed depending on the type of games or the relevant competition circuit. Where there are several competition circuits for a given game, the ministerial order sets, for this game, the list of each corresponding season, with their start and end dates.

We await with interest the drafting and the publication of this ministerial order, in particular because we are doubtful about the possibility to take account of all the video games seasons (because the competitions don't necessarily occur in one single season, several competitions may take place at the same moment).

The E-sport discipline thus begins to be recognized and given a legal framework in France; the relevant actors now have the responsibility to understand and comply with the applicable rules.

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