

LCQ16: Regulation of e-sports venues

Following is a question by the Hon Charles Mok and a written reply by the Secretary for Innovation and Technology, Mr Nicholas W Yang, in the Legislative Council today (November 28):

Question:

In February this year, the Financial Secretary indicated that the Government would allocate additional resources to support the development of the e-sports industry. It is learnt that the e-sports sector has a keen demand for training spaces and event venues (collectively known as e-sports venues). Some members of the e-sports sector have pointed out that the existing laws that are related to e-sports venues include the Amusement Game Centres Ordinance (Cap. 435) and the Places of Public Entertainment Ordinance (Cap. 172). They consider that some of the provisions under Cap. 435 (which was enacted in as early as 1993) are outdated, and such provisions, when applied to regulate e-sports venues, are too stringent and not conducive to the development of the e-sports industry. They have further pointed out that the Government has neither set up a licensing system specifically for e-sports venues, nor clarified whether e-sports venues are required to be issued with licenses issued under the aforesaid ordinances, thus hindering the development of the e-sports industry. In this connection, will the Government inform this Council:

- (1) of the respective numbers of applications for a licence for amusement game centre received, approved and rejected by the authorities in the past three years;
- (2) whether it will draw reference from the experience of regulating Internet centres (commonly known as "cyber cafes") and formulate a Code of Practice for E-Sports Venues Operators for voluntary compliance by the operators, and then gradually bring e-sports venues within the ambit of Cap. 435 by express provisions; if so, of the timetable; if not, the reasons for that;
- (3) whether the government departments concerned will enhance their communication with the e-sports sector regarding the licensing issues under Cap. 435 and conduct public consultation, with a view to examining the formulation of a set of guidelines on applying for a licence for e-sports venues, thereby enhancing the fire and structural safety standards of e-sports venues and alleviating their impacts on residents in the neighbourhood; if so, of the timetable; if not, the reasons for that; and
- (4) given the advancement in technology and changes in social conditions, whether the authorities will conduct a comprehensive review of Cap. 435 and Cap. 172, and enact provisions (including the licensing conditions) for regulating entertainment facilities involving the use of new technologies (e.g. virtual reality gears)?

Reply:

President,

With regard to the four-part question, having consulted the Home Affairs Bureau (HAB), our reply is as follows:

(1) In the past three years (2015 to 2017), the Office of the Licensing Authority under the Home Affairs Department received a total of 25 applications for Amusement Game Centre Licence. Among these applications, 11 were withdrawn by the applicants, nine were approved, four were rejected and one is still under processing as the applicant has not completed the required improvement works.

(2) and (3) E-sports is a relatively new industry. Unlike Internet Computer Services Centres which charge a fee for the primary service of providing computers and relevant facilities for customers to access the Internet, e-sports venues operate in various modes and cover an array of different activities. In addition, the operation of e-sports venues and hosting of competitions involve different licences to ensure safety of the persons participating in e-sports competitions and activities. To give operators a better understanding of the scope and requirements of the relevant licences (such as the requirements on fire safety, structural safety, number of participants and hygiene etc), the Innovation and Technology Bureau (ITB) is in conjunction with the HAB and related government departments formulating a set of guidelines for e-sports venues to help operators understand and apply for the required licences. We plan to issue the guidelines in the first quarter of 2019. In finalising these guidelines, we will consult relevant stakeholders.

(4) The Amusement Game Centres Ordinance (Cap. 435) (AGCO) aims to regulate the operation of amusement game centres to ensure these centres are operated properly in order to protect the well-being of customers and to minimise their impact on nearby residents. The Places of Public Entertainment Ordinance (Cap. 172) (PPEO) serves the primary purpose of ensuring public safety and order at places of entertainment where members of the public congregate. Whether the operation of places with entertainment facilities installed requires a licence under the AGCO or the PPEO depends on various factors, including the purpose of operating the facilities, the types of the concerned activities and the operation mode of venues, etc.

As for whether it is necessary to amend the regulations relating to public safety and order stipulated in the above Ordinances to tie in with the Government's policies to promote the development of emerging technologies and industries, the ITB will maintain communication with the HAB and follow up as appropriate.