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ABOUT M&T ADVISORY

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Distribution of Video Games in Indonesia

Video games have become increasing popular among all age groups in Indonesia - especially with the introduction of mobile video games in the past few years that allows almost all types of smartphones to operate the most popular video games with ease. Now, parents are no longer hiding the fact that their children from a very young age are much more interested in playing video games than playing outside. This proves that the market for video games in Indonesia is getting bigger and video game users are starting at a very young age. Consequently, we have seen a recent rise in local and foreign game developers distributing their creations in Indonesia.

The Minister of Communication and Informatics ("MOCI") has issued some guidelines on the distribution of games in Indonesia. This advisory highlights the following key requirements that we know so far that must be satisfied for games to be made available in Indonesia.

A. Games Rating

In 2016, Indonesia established the Indonesian Game Rating System ("IGRS") through MOCI Regulation No. 11 of 2016 on The Classification of Interactive Electronic Games ("MOCI Regulation 11/2016") to ensure that games provided in Indonesia have been categorized for the most suitable age groups. This rating system is also intended to ensure that all the games developed and published (either by foreign or local developers) are acceptable to the cultures and comply with the norms of the Republic of Indonesia.

MOCI Regulation 11/2016 covers (i) the method of classifying interactive electronic games, (ii) the classification committee, and (iii) the role of the public in the IGRS.

I. The Method of Classifying Interactive Electronic Games

Under Article 4 paragraph (1) of MOCI Regulation 11/2016, all interactive electronic games are classified according to their content and the age groups of their intended users. However, games that contain pornography, gambling (using virtual or real money), or which violate the prevailing laws cannot be classified or rated. The IGRS categories are the following:

Age Group	Specifications
IGRS 3+	In this category the following content is prohibited:
(three years old	
or older)	 a. pictures or writings describing smoking, drinking alcohol and using drugs (narcotics, psychotropics, etc.); b. assaults; c. blood, mutilation and cannibalism; d. swearing, cussing and other kinds of foul language used in games; e. characters showing their vital organs; f. sexual scenes; g. sexual deviation; h. simulations of gambling; i. horror scenes; j. online interactions; and k. parental supervision provisions. Games in this category may not store the personal data of their users and transactions may only be conducted by the children's parents or guardians.
IGRS 7+	In this category the following content is prohibited:
(seven years old	
or older)	 a. pictures or writings describing smoking, drinking alcohol and using drugs (narcotics, psychotropics, etc.) b. assaults; c. blood, mutilation, and cannibalism; d. swearing, cussing, and other kinds of foul language used in games; e. characters showing their vital organs; f. sexual scenes; g. sexual deviation;
	h. simulations of gambling;
	i. horror scenes; and

j. online interactions which facilitate exchanges of personal data and conversations. Games in this category may not store personal data of their users and transactions may only be conducted by the children's parents or guardians. **IGRS 13+** These restrictions apply to games in this category: (thirteen years old or older) a. some scenes or pictures in the games may show some characters (not the main ones) smoking, drinking alcohol, or using drugs (narcotics, psychotropics, etc.); b. assaults must be limited to animation characters (the scenes do not contain heavy assaults using realistic weapons); c. no mutilation or cannibalism is allowed, but showing blood is allowed; d. the content of the games may not include adult humor or deemed e. no characters may show their vital organs; f. no sexual scenes are allowed; g. no sexual deviation is allowed; h. no gambling or activities similar to gambling are allowed; i. horror scenes: j. online interactions and conversations are allowed (language screening features are required); and k. exchanges of personal data among users are allowed with their consent. Games in this category may not store personal data of their users and transactions may only be conducted by the children's parents or guardians. Parental guidance on this category is also required. **IGRS 18+** These restrictions apply to games in this category: (Eighteen years old or older) a. some scenes or pictures in the games may show characters (not the main ones) smoking, drinking alcohol or using drugs (narcotics, psychotropics, etc.); b. assaults shown may only be conducted by animation characters; c. appearance of mutilation, cannibalism and blood; d. adult humor or deemed sexual; e. no characters may show their vital organs; f. no sexual scenes; q. no sexual deviation;

- h. no gambling or activities similar to gambling are allowed;
- i. horror scenes;
- j. online interactions and conversations are allowed (including online transactions).

Besides complying with the requirements for the categories above, Article 10 of MOCI Regulation 11/2016, requires game organizers, defined as individuals and legal entities that develop, produce, distribute or publish games ("**Organizers**"), to provide the following information about their interactive electronic games:

- a. the name of the interactive electronic game;
- b. the distribution platform;
- c. the type or genre;
- d. the release date;
- e. the version;
- f. the targeted age groups;
- g. a short description;
- h. the gameplay in a video or screenshots;
- i. the composition, including warnings; and
- j. a suggestion regarding the game's duration according to the age of its users.

For applying for an IGRS, Organizers must be registered through www.igrs.id.

II. The Classification Committee

The Classification Committee ("Committee") is responsible for conducting suitability tests of the results of the self-assessments conducted by Organizers. The Committee is appointed by the MOCI and consists of representatives from the government, experts, members of informative electronic games communities, and information and technology communities.

The tests are conducted randomly and periodically, upon receipt of reports submitted by the public regarding the games' incompatibility with their classification, and the publication of news articles the spreading of information about such issues. The Committee should report a game's incompatibility to the Directorate General within 5 (five) working days of the discovery of its incompatibility.

III. The Role of the Public in the Game Rating System

Members of the public are expected to proactively report the incompatibility with its rating of any game to the Directorate General either online or offline as required under Article 16 of MOCI Regulation 11/2016. The Minister through the Directorate General will then engage in public awareness efforts and educate the public about interactive electronic games.

B. Registration as a Private Electronic System Operator ("ESO") with the MOCI

Other than obtaining games rating explained above, Game operators must be registered with the MOCI and obtain a private ESO Registration Certificate from the MOCI.

Individuals, legal entities and members of the public that have internet portals, sites or applications and provide, among other things, search engines, electronic information in text, audio-visual, animation, music, video, film and game form or any combination of them (either partly or wholly) must be registered with the MOCI before anyone can use their services. Therefore, a company that operates games must comply with the registration requirement. This obligation also applies to private ESO operators (such as foreign games developers) that are established under the laws of other countries or are permanently domiciled in other countries, but meet any of the following criteria:

- 1. they provide services within the territory of Indonesia;
- 2. they do business in Indonesia; or
- 3. their electronic systems are used or offered in Indonesia.

Therefore, game operators must register with the MOCI (including for games developed abroad) to prevent access to them being blocked by the MOCI.

C. Conclusion

Regardless of where interactive electronic games are developed, a game rating system such as that under MOCI Regulation 11/2016 is necessary to classify games according to the suitable age groups. Organizers must first conduct a self-assessment to receive their ratings during the registration phase and provide all the information needed for the IGRS. The result of the self-assessment can later be used to publicize and market their products before undergoing a suitability test. The suitability test is conducted by the Committee randomly and periodically upon receipt of reports and hearing of issues raised by the public. Therefore, this regulation also emphasizes the important role of the public in the rating interactive electronic games in Indonesia.

In addition, game operators must immediately register with the MOCI (including for games developed abroad) as private ESO operators to prevent access to their games being blocked by the MOCI.

MORE INFORMATION



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