

# Switzerland's Youth Protection Act

Microtransactions are set to enter the Swiss statute books

Regulator: The Federal Council/ Federal Social Insurance Office/ Cantons/ Industry



#### JURISDICTION RELEVANCE:

**Switzerland** 

## **TIMELINE:**

The bill must now pass the upper house (Council of States)

#### WHAT YOU SHOULD KNOW:

- The Federal Law on the Protection of Minors in the Areas of Film and Video Games (Youth Protection Act (YPA)) aims to harmonise an outdated and fragmented system for content classification.
- More than a year after the <u>consultation closed</u>, on September 11th 2020, a <u>draft bill</u> was tabled by the Federal Council. On March 17th 2021, the National Council of the Swiss Federal Assembly <u>opened</u> <u>discussions and voted in favour of Articles 1-8 of the</u> <u>bill</u>. The remainder of the bill was discussed on June 9th, with a <u>series of amendments approved</u>.
- Measures include:
  - » Video games providers must ensure that minimum age ratings and content descriptors are clearly indicated (Art.6). IARC and PEGI are endorsed both in the Federal Council's official consultation response and by the bill's proposer in the Federal Assembly.
  - » Platforms must take more extensive measures to prevent minors, comprising an age verification and parental control system (Art.8). Any data collected must be for the age verification tool only.
  - » A system of co-regulation is envisaged whereby the Swiss video games industry creates a youth protection organisation (Art.9). This will be reviewed by the Federal Social Insurance Office (FSIO) and provided it meets certain constitutional requirements - local, representative

- and benefiting from youth development experts its rules can be declared binding on all video games businesses operating in Switzerland by the Federal Council (Art.10).
- » Art.11 provides a minimum set of topics on which the prospective youth protection organisation must prescribe specifications, ranging from age identification and content descriptions to mechanisms for complaints and penalties. Breaches can result in fines of up to 42 000 francs (Art.32).

# **MOST TELLING:**

'Microtransaction in video games must be tagged with an appropriate content descriptor. In addition, the youth protection organisations are obliged to provide information on the possibilities of parental control and restriction of microtransactions (Amendment to Art.11, approved on June 9th)'

### **DELANY & CO HOT TAKE:**

During the March parliamentary debate, several speakers called for additional protections to restrict microtransactions and loot boxes, leading to last-minute mends akin to the <u>German Youth Protection Act</u>. In-app purchases are now mentioned on no fewer than three occasions in the bill. However, the onus is on parental controls and effective labelling rather than outright prohibition. As in Germany, much detail remains to be worked out for a forged in principle, but not in practice, system of co-regulation.