

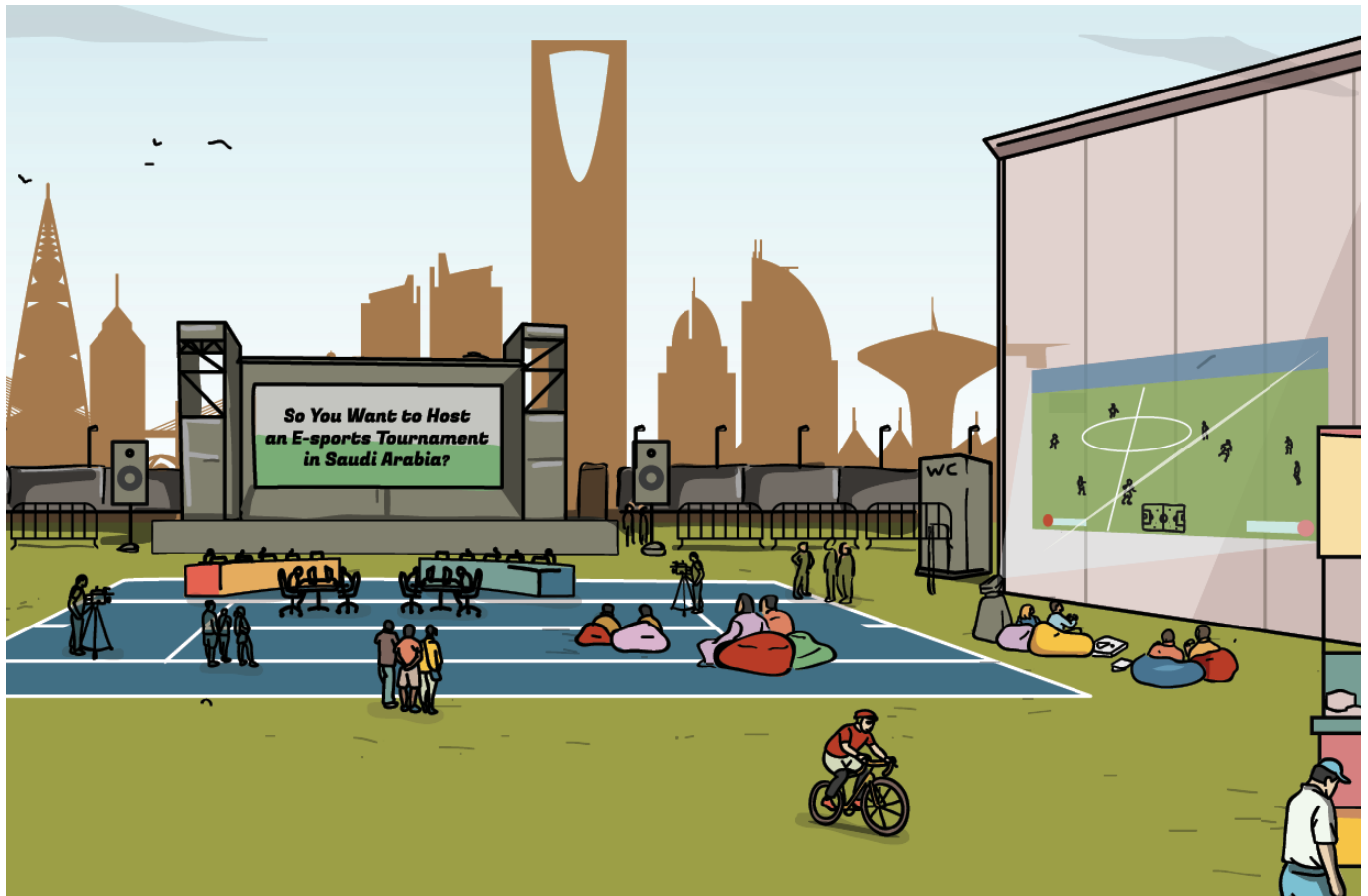
So you want to Host an E-sports Tournament in Saudi Arabia?

Amy Land-Pejoska - Associate - Digital and Data

- Riyadh

Sarah AlSaif - Associate - Corporate / Mergers and Acquisitions

- Riyadh



Saudi Arabia boasts a rising number of globally successful Saudi e-sports champion players, and e-sports are hugely popular. Therefore, you may be wondering, how do I host an e-sports event in Saudi Arabia, or an online e-sports tournament targeting Saudi players? Do I need a permit or licence? How do I bring e-sports stars from other countries to test their mettle against Saudi players here in the Kingdom? This article sheds some light on the process.

The Saudi Arabian Federation for Electronic and Intellectual Sports ('SAFEIS') was established in October 2017 to foster and manage the development of the Saudi e-sports industry, issue permits and licences for e-sports tournaments and ensure that such tournaments comply with a few basic integrity and public safety-type considerations. While SAFEIS is the key authority in Saudi Arabia responsible for approving e-sports events, the General Entertainment Authority ('GEA') has been established to manage the development of entertainment and public events in the KSA more broadly and will also be involved for certain aspects of "on-the-ground events".

The most important recent achievements of Saudi Arabia in terms of seasonal e-sports events are

qualifying for the FIFA 2018 World Cup; the National Championships for Small Dialogue; the Kingdom of Balot Championship; and the Bodyweight Cup for the Rammers, which was hosted in Saudi Arabia over five days.

In line with one of the pillars of Vision 2030, the organisation of such e-sports events is now becoming more open in term of participation by both local and foreign entities. The role of the participants is to organise and contribute with SAFEIS by signing agreements governing the organisational relationship between the participant company and SAFEIS. For instance, SAFEIS has contracted with a well-known local food restaurant to be an exclusive partner for food services in the upcoming SAFEIS e-sports events, in which the participant in such food services obtained certain permits from SAFEIS. However, the companies may be required to obtain a licence from other government authorities in addition to SAFEIS, depending on the activities included in the e-sports events, most commonly the GEA.

Legal Requirements Specific to E-sports Events

There is a requirement to comply with the SAFEIS E-sport Competitions and Tournaments Regulations.

There are age limits associated with competing in an e-sports tournament. While they are not set out in the regulations, we expect it is likely that if an event is open to players under the age of 18 this should be flagged to SAFEIS for its prior approval.

There are certain integrity rules, for example that devices must be identical for all players. Device specifications must be sent to SAFEIS for approval for the largest types of tournaments. If you have your own equipment, the rules also allow players to use their own devices where such devices are not prohibited. Our expectation is that if a player's individual device conforms with specifications pre-approved by SAFEIS, it would be permitted. The use of a player's own device should be flagged to SAFEIS in the licence application process.

SAFEIS requirements differ depending on the size of the tournament. When competitions are free to enter, small and do not involve the award of prizes, there is no need to engage with SAFEIS.

As would be expected, for larger events, rules and referees should be pre-approved by SAFEIS and publicly announced in advance once approved by SAFEIS. There are also other requirements, such as appointing team liaison officers who have responsibility for team conduct before SAFEIS. Larger tournament organisers must also update SAFEIS regarding certain changes to event schedules and other details.

Small public or private tournaments that impose a participation fee and award prizes must obtain a temporary permit from SAFEIS in advance. For smaller scale competitions, either individuals or entities may apply for a temporary permit, but for larger competitions, only entities institutions may do so, and a licence must also be obtained. The temporary permit is issued on an event-by-event basis. (Whether or not this includes the various rounds of an e-sports event is unclear in the Regulations and is something that may depend on individual tournament format.) Permits are temporary and cannot be transferred or re-used. Future competitions may not be announced on the basis of holding a permit for a particular e-sports tournament.

While there is no fee for a temporary permit or licence, operational fees are payable to SAFEIS per day that the competition is occurring. Such operational fees increase in proportion to the size and scale of the event.

Generally, for small e-sports tournaments, it is not permitted to use the SAFEIS logo for any reason in association with the tournament. However, for larger tournaments, use of the SAFEIS logo can be agreed with SAFEIS on a case-by-case basis. Organisers should be aware that they are required to send information to SAFEIS both before and after the competition, such as data about the participants (before

the competition) and results (after the competition).

Infringement of SAFEIS Regulations

SAFEIS officers attend e-sports events and will monitor activity for any violations and refer them to a Disciplinary Committee. Punishments for violations of the rules may be imposed, including revocation of a licence, repayment of fees to players and fines of up to 100,000 Saudi Riyals (about 30,000 USD). A licence may be cancelled or suspended for certain conduct including:

- violations of public order, morals or endangerment to security, public health, environment or safety;
- forgery, fraud or misleading information in any documentation or application submitted to SAFEIS by the event organiser;
- misuse of the SAFEIS logo; and/or
- assignment of a licence without SAFEIS's prior written approval.

On-the-ground Events

As mentioned by Prince Faisal bin Bandar, the President of SAFEIS *"By organizing these events we aim to increase the recognition of the legitimacy of gaming and e-sports as an economic source rather than simply as entertainment."* It is a growing global competitive sport with a path joined by participants from anywhere in the world, representing a very significant economic opportunity for us as in Saudi Arabia *"Our focus is on helping the state explore and expand the entire gaming industry by opening up new ways to participate and benefit from it."*

The GEA was established by Royal Decree on 30 Rajab, 1437H corresponding to 7 May 2016 to organise, develop, and lead the entertainment sector in Saudi Arabia. GEA contributes to e-sports events with a view to improving and enriching the lifestyle and social cohesion among the community. It also works with SAFEIS in providing licences and permits to the participating companies related to the entertainment and peripheral events associated with an e-sports event.

The essential conditions for obtaining such licences are that the applicant:

- can demonstrate sufficient experience in the field of entertainment;
- provides a complete operational plan for the entertainment activity with which the licence complies as determined by the GEA criteria;
- provides a detailed marketing plan for the contemplated entertainment activity;
- obtains all other necessary licences from all relevant authorities;
- the participating companies shall not be from the prohibited list in GEA; and
- confirms that the content of entertainment activity shall not include anything that violates the culture and values of Saudi Arabia.

The General Authority for Sport may also co-operate with these seasonal events, in relation to the Facility Reservation Service to enable companies and governmental organisations to apply for a reservation to the sports facility under certain terms and conditions set out by the authority.

What's Next?

Given the enormous popularity of e-sports we expect continued interest by Saudi Arabia's young population and therefore an attractive opportunity for those looking to involve Saudi players in their

tournaments. If you are hosting an event in Saudi Arabia, you may need to obtain a SAFEIS licence, and other licences depending on the peripheral entertainment. If you are hosting an e-sports event targeting Saudi Arabian players you would be well advised to inform SAFEIS and potentially apply for a permit. As of 13 June 2019, the e-sports rules have not been made publicly available, so talking with local experts experienced in advising on Saudi Arabian events both virtual and 'on-the-ground' will be a must.

Al Tamimi & Company's [Corporate Commercial](#) and [Technology, Media and Telecommunications teams](#) regularly advise on virtual and on-the-ground sports events and other entertainment. For further information please contact [Sarah Al Saif \(s.alsaif@tamimi.com\)](mailto:s.alsaif@tamimi.com) or [Amy Land Pejoska \(a.pejoska@tamimi.com\)](mailto:a.pejoska@tamimi.com).