

# China drafts new rules proposing restrictions on online gaming

December 22 2023, by Zen Soo



Visitors gather near a booth for Chinese technology firm Tencent at the China International Fair for Trade in Services (CIFTIS) in Beijing, on Sept. 3, 2022. China released draft guidelines Friday, Dec. 22, 2023, aimed at curbing excessive spending on online gaming in the latest move by the ruling Communist Party to keep control of the virtual economy. The proposal caused shares in the biggest Chinese gaming companies, Tencent and NetEase, to plunge in Hong Kong. Credit: AP Photo/Mark Schiefelbein, File

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China's gaming regulator, the National Press and Publication Administration, issued guidelines saying [online games](#) cannot offer incentives for daily log-ins or purchases. Other restrictions include limiting how much users can recharge and issuing warnings for "irrational consumption behavior."

Shares in Tencent, China's largest gaming company, dived about 16% before recovering some ground to close 12% lower. Rival NetEase's stock price lost about 25%.

Beijing has taken various measures against the online games sector in recent years.

In 2021, regulators set strict restrictions on the amount of time children could spend on games to just three hours a week. A state media news outlet described online games as "spiritual opium," an allusion to past eras when addiction to the drug was widespread in China.

Approvals of new video games also were suspended for about eight months, resuming only in April 2022 as authorities eased a broader crackdown on the entire technology industry.

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