

ANNUAL REVIEW 2017



The European Advertising Standards Alliance

EASA – the “European Advertising Standards Alliance” is the single authoritative voice of advertising self-regulation in Europe.

EASA promotes high ethical standards in marketing communications by means of effective self-regulation for the benefit of consumers and business. As a non-profit organisation based in Brussels, EASA brings together national advertising self-regulatory organisations and associations representing the advertising industry in Europe.

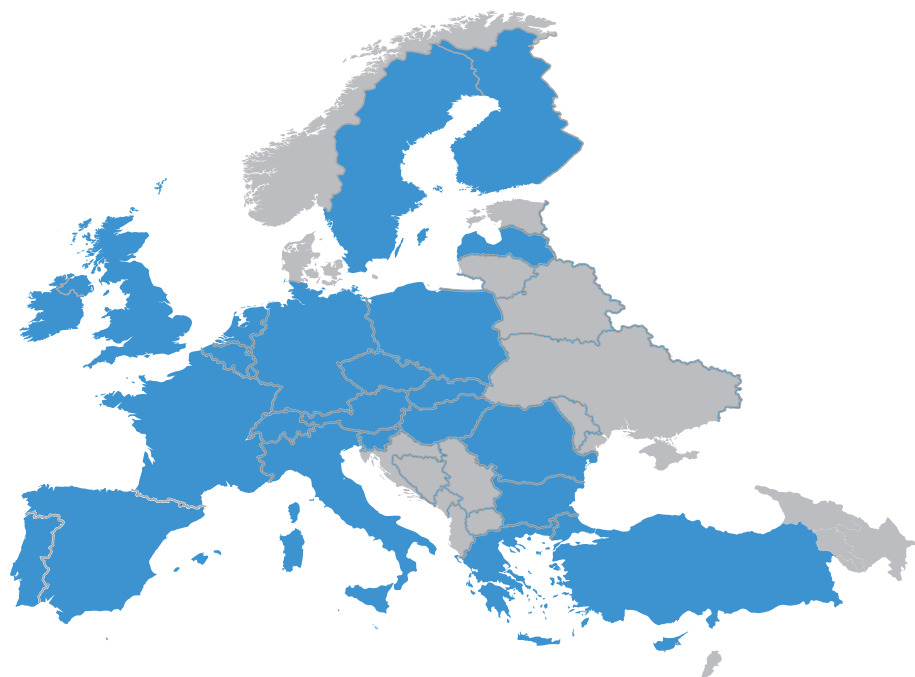
For further information, please visit: www.easa-alliance.org

EASA promotes responsible advertising by:

- Promoting and developing advertising self-regulation
- Strengthening and extending self-regulation in Europe and beyond
- Creating best practice
- Managing cross-border complaints
- Undertaking research and monitoring
- Providing education and training

EASA’s network brings together **41** organisations committed to ensuring ads are legal, decent, honest and truthful:

- **27** European self-regulatory organisations (SROs) covering **25** countries
- **14** Industry organisations representing the advertising value chain (advertisers, agencies, various forms of traditional and digital interactive media).



 EASA SRO member network

EASA

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A WORD FROM OUR CHAIRMAN



This edition of EASA's annual report is very special as 2017 marked the 25th anniversary of our Alliance.

Advertising self-regulation is a unique system which has remained relevant and contemporary throughout these last 25 years. It has been able to reinvent itself, adapting to new regulatory changes, societal trends and concerns, as well as technological developments. Its workings, its flexibility and the universality of its core values, have always allowed it to strike the proper balance between change and continuity, between education, prevention and control. It has always provided evidence-based and sound solutions adapted to today's complex world.

Advertising self-regulation is global, recognised, and relevant. All actions undertaken by EASA and its members in 2017 were at the core of these developments.

Its global dimension is illustrated by EASA's International Council for Advertising Self-Regulation coming of age in 2017, becoming a fully operational, independent self-financed network with a dedicated secretariat and covering countries from all across the globe, from the Americas to Oceania. The geographical boundaries of the advertising self-regulation ecosystem have been further pushed with the latest developments happening in Russia directly supported by EASA. Furthermore, EASA has continued to foster international co-operation with, for instance, the organisation of international events bringing its members together and the handling of an increasing number of cross-border cases. EASA has also been heavily involved in the International Chamber of Commerce code revision process. On the occasion of the 80th anniversary of the code, EASA contributed to adapting global standards of ethics in advertising and marketing communications to the current technological and societal changes.

Advertising self-regulation is increasingly recognised: EASA and its network have relentlessly been working at all stages of the EU legislative process to ensure that any new piece of legislation, such as the revised Audio-Visual Media Services Directive, acknowledges self-regulation as a relevant policy option and leaves it sufficient space to thrive.

Advertising self-regulation is relevant as EASA and its self-regulatory network have always quickly responded to new developments. In 2017, EASA focused in particular on digital issues with information sharing sessions on initiatives regarding multichannel networks, content discovery networks and influencer marketing, as well as through high-level events paving the way for the future. I would like to highlight EASA's public debate and conference on *Advertising and the Consumer Experience of Tomorrow: Self-Regulation Ensuring Responsible Advertising in the Digital Age?* organised on the occasion of our Alliance's 25th anniversary.

EASA also strove to remain at the forefront through the revamping of its best practice recommendations and through the development of new digital tools, such as the Digital Blue Book or the Cross-Border Complaints Database, to facilitate the work of its self-regulatory network, of its Industry members and ultimately to the benefit of the European consumers.

I would like to sincerely thank all those involved in making our network vibrant and dynamic - especially my fellow officers, Charo Fernando Magarzo (AUTOCONTROL), Mathilde Fiquet (FEDMA) and Stephan Loerke (WFA) and the EASA Secretariat for their commitment, dedication and great work but also, of course, our members for their continued trust and support. I wish you a pleasant reading of this 25th anniversary annual report. It will provide you with further insight and details regarding the actions mentioned above.

With a sound financial situation and a strong team, EASA is ready and eager to tackle the challenges of tomorrow. Let the tremendous work accomplished these last 25 years be the cornerstone on which we will build the future of advertising self-regulation! Let's embrace together the next 25 years!



Stéphane Martin,
EASA Chairman,
Director General, ARPP

BUILDING A STRONG EASA

EASA'S BOARD

EASA's Board of Directors composed of representatives of self-regulatory organisations (SROs) and of the advertising industry, is responsible for the administration of EASA. It appoints an Executive Committee responsible for decisions in-between meetings of the Board. The Executive Committee is led by a Chairman, who is supported by three Officers.

Stéphane Martin
EASA Chairman
Director General, Autorité de Régulation
Professionnelle de la Publicité (ARPP)



Stephan Loerke
EASA Vice-Chair
CEO,
World Federation of Advertisers (WFA)



Charo Fernando Magarzo
EASA Vice-Chair
Deputy Director General,
AUTOCONTROL



Mathilde Fiquet
EASA Treasurer
EU Legal Affairs Manager,
FEDMA - the Federation of European
Direct and Interactive Marketing



EASA'S SECRETARIAT

Based in Brussels, the Secretariat is responsible for the day to day administration of EASA. 2017 brought a number of changes to the team, with the Association welcoming two new staff members: Federico Nahuel Lazzari as Project Assistant and Tristan Gijsenbergh as Public Affairs and Policy Officer. EASA also had the support of Evan Frank as a Communications Intern for a period of four months.



Lucas Boudet
Director General



Tristan Gijsenbergh
Public Affairs and Policy Officer



Sibylle Stanciu-Loeckx
Director of Operations and Policy



Amandine Hähnel
Senior Policy Manager



David Barron
OBA Policy and Complaints Manager



Madeleine Kabeya
Office Administrator



Ana-Maria Curca
Communications & Events Manager



Federico Nahuel Lazzari
Project Assistant



Francesca Fabbri
Project Officer



Justina Raižytė
Development and Policy Adviser

EASA 25TH ANNIVERSARY

2017 marked EASA's 25th anniversary and offered an opportunity to celebrate the association's journey throughout the years, by acknowledging its most important milestones.



Raising awareness and promoting advertising self-regulation

The 25th anniversary was a unique occasion to look to the future and reaffirm EASA's commitment to promoting responsible advertising by assuring self-regulation will continue to adapt to the challenges of today and tomorrow. A set of activities, accompanied by a communication campaign, using EASA's website, social media channels and strategic media partnerships, was developed throughout the year to promote EASA's 25th anniversary.

1991

1995

1998

2008

2012



Claire Bury, Deputy Director-General,
DG CONNECT- Keynote speaker

The anniversary year started with a series of interviews with the main contributors to EASA's success along the years (former and present Chairpersons, Board Members and General Directors) and culminated in an anniversary event - a public debate that took place in October 2017.

A special 25th anniversary section was set up on EASA's website, a timeline illustrating the most important accomplishments for each of the 25 years, with short interviews with EASA's main contributors along the years accompanying each milestone.



The anniversary event “Advertising and the Consumer Experience of Tomorrow” was held at the European Economic and Social Committee (EESC) in Brussels and gathered over 100 participants, including representatives from the advertising industry, other trade associations, companies and digital platforms, NGOs, civil society as well as EU-level and national-level officials.

EASA created a short video to explain what advertising self-regulation is, how it works and what its merits are. The clip is also an introduction to EASA, describing its scope, its membership and briefly summarising its activities and core services.



2000

2005

2010

2015

2017

Reflecting on the future of advertising self-regulation in an ever-changing world



Stéphane Martin, Chairman, EASA

The participants engaged in a lively discussion on the challenges the advertising industry is currently facing in this digital age and how self-regulation responds and adapts to these challenges.

During the conference, the following themes were debated: the advertising and consumer experience of tomorrow, whether or not self-regulation is responding to these challenges and to what extent responsibility to uphold social and ethical norms in advertising is preventing or fostering innovation and creativity.

DEVELOPING SR COVERAGE AND EASA MEMBERSHIP

Building a strong and coherent network

SR network development

EASA has closely monitored and supported Advertising Self-Regulatory initiatives across Europe whether they regarded the setting-up of a new SRO or the strengthening of existing schemes or local networks.

New Industry Member

In 2017, EASA gained a new industry member: News Media Europe.

News Media Europe (NME) represents the progressive news media industry in Europe, encompassing over 2200 European news brands in print, online, radio and television. NME is committed to maintaining and promoting the freedom of the press, to upholding and enhancing the freedom to publish, and to championing the news brands which are one of the most vital parts of Europe's creative industries.

NEWS MEDIA EUROPE

Wout van Wijk,
NME Executive Director:

"News Media Europe joined EASA in support of responsible advertising and as a platform to address common challenges with our colleagues from the advertising sector"



Russia

Under the drive of the Federal Antimonopoly Service (FAS), the Russian regulator, and major local stakeholders, a significant leap has been taken towards the development of ad self-regulation in Russia. Sergey Pilatov, one of the top members of the Russian Council on Advertising and founder and Chairman of St. Petersburg Public Council on Advertising, has been appointed to lead a working group on the development of advertising self-regulatory initiatives in Russia which was established with the Chamber of Commerce and Industry of the Russian Federation.

EASA, with the assistance of some of its key SRO members and its CEE Council, has provided feedback on a concept note on advertising self-regulation development in Russia. Furthermore, during the IAA Ad Issues Summit held on 27-29 September, EASA, alongside its members from Hungary, Poland and Turkey, has taken part in various panels to present the SR system and to share its members experience on setting up an SR structure.

During the event, a Memorandum on the Foundation and Organisation of the Activities of the Russian Self-Regulatory Organisation in Advertising was signed between the government of St. Petersburg and FAS, with EASA committing to "providing consultative and other support to the SRO during the period of its creation and further work".

Ever since, EASA is in constant contact with the promoters of the initiative as well as IAA Russia and major advertisers who strongly support this development.

The next step will be the drafting of a road map to set up an advertising SRO in Russia.



José Domingo Gómez
Castallo, ICAS President



Soraya Belghazi,
ICAS Manager

To complement these initiatives, EASA has been in contact with industry representatives that strongly support SR developments across Europe such as for instance regarding Serbia.

Poland

EASA also supported local SR initiatives from its members - on 7 November 2017, Rada Reklamy hosted the inaugural meeting of the Self-Regulatory Forum. On this occasion Lucas Boudet, EASA's Director-General, presented the advertising SR system and initiatives across Europe. The meeting, which took place in Warsaw, was attended by dozens of trade organisation representatives speaking for the largest sectors of the Polish economy as well as regulators. This meeting was the starting point of the process to create common standards for self-regulation in advertising, with participants signing a Letter of Intent agreeing on the basic principles of the common standards, as well as committing themselves to further development, including the implementation of individual ethical codes.



ICAS

Thanks to its initiators and the operational support provided by EASA, the International Council for Ad Self-Regulation has developed during 2017 into a fully functioning separate structure with its own secretariat run by Manager Soraya Belghazi and its own resources, including a dedicated website: <https://icas.global>.

This makes it the first advertising self-regulatory network gathering members from across the world, from Australia to the USA.

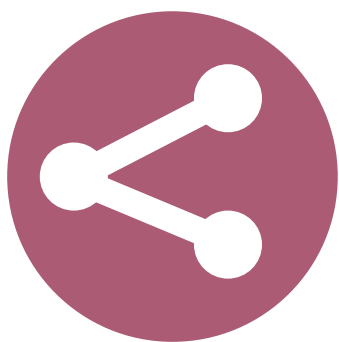
The first ICAS Annual General Meeting was held in Athens, Greece, on 8 May 2017, in conjunction with the EASA Bi-Annual Meeting. Among the key priorities endorsed on this occasion were the extension of the global SRO network to new markets as well as the development of training and capacity-building tools to support the creation of new SROs and the growth of existing SROs. One such tool is the **International Guide to Developing a Self-Regulatory Organisation**, which is now in its 3rd edition since December.

During the year, seven new members joined ICAS including two industry associations and five SROs: from India, the Philippines, the USA, the United Arab Emirates and South Africa. As a result, as of 31 December 2017, ICAS had **29 members** active in all major regions of the world.

WHAT'S NEXT ?

EASA will pursue the current initiatives whilst monitoring any new ones which would benefit from its support. Regarding Russia, the dialogue will continue as their main initiators will be joining EASA's bi-annual meeting in Helsinki in spring 2018. EASA will continue to strive to increase its membership base. At the end of 2017, the Search & Information Industry Association (SIINDA) requested to join EASA's membership. It is the leading European based non-profit association bringing together companies in the search, information, and telecommunication sectors, as well as businesses providing "on demand" services.

DEVELOPING MEMBERS' CAPACITY



BEST PRACTICE SHARING

Best Practice Recommendation updating

EASA carries out an ongoing process to ensure that its Best Practice Recommendations are always up to date. In 2017 the Operational Best Practice Recommendations regarding Complaint Handling and Standards of Service, last reviewed in 2005 and 2009 respectively, have been reviewed.

An expert working group of EASA members, including representatives from the UK SRO (ASA), Irish SRO (ASAI) and led by the Hungarian SRO and its Secretary General, Mrs Ildikó Fazekas (ORT, Hungary) was formed to work on the first draft prepared by the Secretariat.

The expert group confirmed that the recommendations still largely reflected best practice in self-regulation complaint handling and SR services. However, some small changes were introduced, mostly related to new developments within the SR system, including the launch of the Cross-Border Complaint platform, now used by all EASA SROs.

EASA Charter Validation and Best Practice

Compliance with EASA Charter Commitments has significantly increased across the EU over the past twelve years.

Recommendation Scoreboards

The EASA Secretariat has carried out validation exercises for its EASA Charter Validation (last updated in 2011) and Best Practice Recommendation (last updated in 2016) Scoreboards.

This has greatly contributed towards making the network of self-regulatory bodies more efficient and able to provide useful services to both the general public and the advertising industry.

- 27 national SROs are now operating in 25 European countries (23 EU Member States + Switzerland and Turkey), covering 97% of the EU population
- 96% provide copy advice to advertising industry stakeholders
- 92% of SROs have a number of jury members that are independent experts, such as academics or consumer representatives
- 85% of all SROs make the decisions made by the jury publicly available online
- 88% of SROs accept complaints made online via dedicated facilities and all SROs handle consumer complaints for free
- 73% of all advertising SROs consult with external stakeholders when drafting or updating the advertising code
- 100% of SROs now include digital marketing communication within their remit
- Own-initiated monitoring remains the main area of focus in terms of future SR development

The most recently updated Best Practice Recommendation Scoreboard reveals an overall high compliance rate of 85% among SROs.

EASA CEE Member Survey

Following its goals to strengthen SR systems across Europe and to support the SROs from CEE region, EASA carried out a survey for its CEE Council members and collected information about the membership of the self-regulatory bodies. The results of the survey and the follow-up exercise were presented at EASA's Bi-Annual events in Athens and Brussels during the CEE Council meetings.

The data collected revealed uneven membership levels of big international brands in national SR systems across the CEE region. While some "gaps" might be explained by the different existing membership models and the marketer's presence in certain markets, the CEE Council members also noted a potential to strengthen SROs' membership by using the support and relevant experience of SR colleagues in neighbouring countries in order to attract more local industry support. Overall, global marketers representing food and beverage, health and beauty, and household sectors were identified as active contributors to most markets in the CEE Countries.

KNOWLEDGE SHARING

In 2017, EASA continued to offer its members opportunities to exchange knowledge and ideas and to further develop cross-border and bilateral collaborations.

The French SRO, ARPP, drafted and adopted new rules on influencers in March 2017.

ARPP asked EASA to pass on an information request to all SROs in order to know if they already had rules on the topic and what they were. The answers received helped ARPP to gain further insight into the issue and the state of play across Europe. ARPP then organised an event in Paris, where brands, agencies and influencers were invited to talk about their experiences in an informal context. In order to provide a European insight as well as showcasing to French market practitioners that best practices are even better when shared internationally, ARPP contacted the Swedish SRO Reklamombudsmannen, which sent an Influencer they have worked with to talk about the Swedish experience.

The Seminar on Digital Advertising Regulation, Data Protection and Privacy organised by the Spanish SRO Autocontrol in September 2017 provides another example of bilateral sharing. The seminar welcomed the participation of executives from UK SRO ASA and Industry member WFA.

Shahriar Coupal, Director of Advertising Policy and Practice, Advertising Standards Authority (ASA) talked about native advertising, branded content and bloggers, as well as providing information on self-regulation guidance and rulings in UK.

Axel Debry, Public Affairs Manager of World Federation of Advertisers (WFA) focused on adblocking, legal aspects and self-regulation initiatives.

In May 2017, the Director-General of the French SRO, Stéphane Martin was invited to speak at the Italian SRO IAP conference in Milan on *Working together: advertising self-regulation and legislation in France and at EU level*.

EASA's Bi-Annual Meetings in Athens and Brussels



EASA members met in Athens in May and in Brussels in October for the Biannual Meetings of 2017. The EASA Best Practice Awards took place during EASA's Biannual Meetings in Athens, and this year, for the first time, initiatives from two years were awarded in a double ceremony: Best Practice Awards 2016 and Best Practice Awards 2017. During the Biannual Meetings in Brussels, EASA successfully launched for its members the Digital Blue Book project- redesigned to be the point of reference for all the information regarding the European SR network in one single place and very easy to access.



Learning opportunities during the SR Committees



EASA has organised two SR committees which enabled its SRO network to exchange best practices. The Tour de Table session was significantly revised, collecting information beforehand and presenting it in digitally visualised maps. The current “hot topics” in advertising self-regulation at SRO

level, as well as national legislative threats were further linked to European level issues, to encourage more meaningful discussions and while searching for the best solutions.

Following the advertising marketing trend, EASA focused its SR Committee Learning Items on digital issues. It also organised two seminars on the “Acceptability of Advertising and “Acceptable Ad Standards”. EASA members attended an interactive session on “Influencer marketing in social media” with guest speaker Vlogger & Youtuber Martin Arvebro, which highlighted the issues of vlogging and blogging within an SR framework. The session also gave the opportunity to European SROs to hear from US colleague Lee Peeler, President and CEO of the Advertising Self-Regulatory Council (ASRC) and Canadian colleague Jani Yates, President and CEO of Advertising Standards Canada (ASC), who both shared best practice examples.

Michael Todd, Head of Advertising Industry Relations at Google UK also gave a presentation regarding insights into digital market and ad standards, which was followed by lively discussions among SRO representatives.

INFORMATION SHARING CBC platform

On 18 July 2017, EASA launched its long-awaited online Cross-Border Complaint handling platform. The CBC platform is a new tool, developed in partnership with the EDAA, to provide support to EASA’s SR network in order to improve the cross-border referral system, making it leaner, even more reliable and efficient.

To kick-start the launch, an easy step-by-step guide was also provided to the SROs, giving instructions on how to set up a user profile, handle the complaint ...and use the platform’s possibilities to further foster dialogue between SROs as well as to help SROs learn from best practice examples. EASA remains committed to improving the tool and expanding its coverage to new and emerging SR initiatives.

EASA Digital Blue Book

EASA has initiated the process of preparing and publishing the EASA Digital Blue Book (2017) - the ultimate guide on advertising self-regulation. This digital version has been designed with greater emphasis on the needs and interests of advertising practitioners, as well as to provide a valuable information source for policy makers, advisers, researchers and academics.



It also represents a relevant symbol for EASA’s 25th anniversary as it builds on the information gathered through the SR network over the years, while paying tribute to the work done on previous editions of the Blue Book.

The design of the publication was created specifically keeping in mind the outreach of EASA’s activities, which include educating society, market actors and policy makers about the role and value of self-regulation. The goal during the drafting process was to focus on SR activities and keep the country presentations concise, while introducing new relevant chapters including the remit overview of SROs as well as highlighting the main achievements of EASA’s SR network.

Overall, the Digital Blue Book was designed to be an authoritative reference document providing access to all the information regarding the European SR network in one single place, only one click away. Virtual design gives it a fresh look and provides an easy-to-see picture of SR activities, digital developments and other issues. Furthermore, in its current format the Digital Blue Book will be updated on an ongoing basis thereby providing up-to-date information at all times.

EDAA coordination

In 2017, EASA continued its long-standing commitment to



provide high quality support services for the European Interactive Digital Advertising Alliance (EDAA). With EASA's ongoing support, especially in terms of office administration

and HR expertise, the EDAA continues to expand its footprint, while promoting greater recognition, awareness and understanding of the European Self-Regulatory Programme on Online Behavioural Advertising.

OBA – programme and taskforce

The European Self-Regulatory Programme has continued to strengthen during 2017, with a growing list of companies participating in the initiative - now over 170 participating

companies, from the largest players to local SMEs, right across Europe – all providing greater transparency, choice and control to European internet users.

EASA has been a central partner in this expansion and executed a specific SR Network Development Project and Report in 2017 for the EDAA.

The project and subsequent report aimed at extending the remit of national SROs to reflect the European Principles governing the delivery of targeted

advertising, as well as providing a better understanding of any obstacles in national markets.

Consumer Complaints Plug-In

Considerable updates were made on the beta Consumer Complaints Plug-In in order to finalise development across all major browsers and availability in the respective plug-in stores. Several SROs (ES, FR, PT), under EASA's umbrella, have tested the tool to process OBA complaints (which may subsequently be available for content of DMCs), with a broader roll-out planned in 2018. Following the successful development of the plug-In, EASA has already begun coordinating with the EDAA on the development of a mobile application which aims to mirror the functionality of the plug-in for the benefit of consumers – watch this space in 2018!

“Like A Bad Movie” Campaign

EDAA carried out a joint-industry campaign in 2017, aimed to change the perception of policy makers towards the proposed ePrivacy Regulation. The campaign was based on a series of five short videos highlighting the possible harmful knock-on effects that the tabled regulation would have for consumers. The campaign “Like A Bad Movie” is supported by a website outlining a better, alternative approach, at www.likeabadmovie.eu.

FACTS AND FIGURES

Complaints and Copy Advice Statistics

EASA's 2016 Stats Report shows the main trends in advertising complaints and requests for copy advice and pre-clearance. Some of the key numbers are shown below.

IN 2016



In 2016, EASA's network of European self-regulatory organisations (SROs) received and dealt with a total of 65,040 complaints related to **32,797** advertisements.

The top 10 most complained about ad campaigns in Europe triggered **13,309** complaints in 2016, which represents 20% of the total number of complaints received. It also shows that viral advertising campaigns, which receive a lot of consumer attention, are growing in importance.



European SROs provided detailed answers to a total of **81,398** copy advice requests in 2016 – an increase of 1% compared to the previous year.

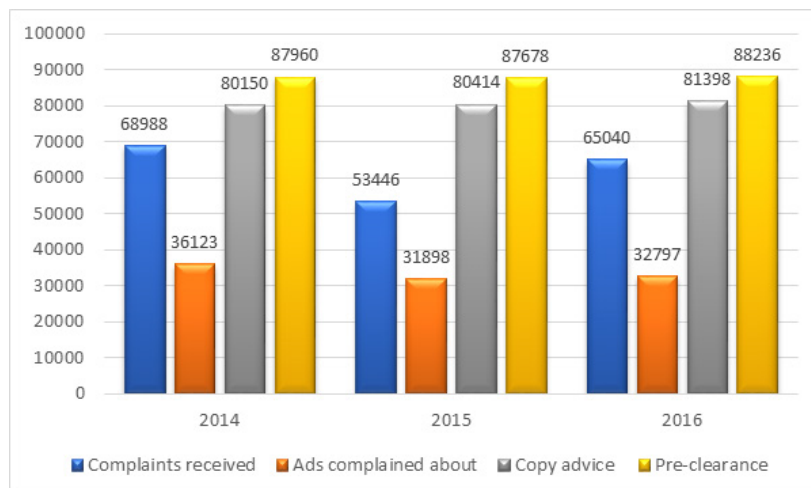


In 2016, a total of **88,236** TV advertisements were pre-cleared by SROs in the UK, France and Portugal.

77% of complaints were resolved in less than one month and the overall of **91%** within two months.

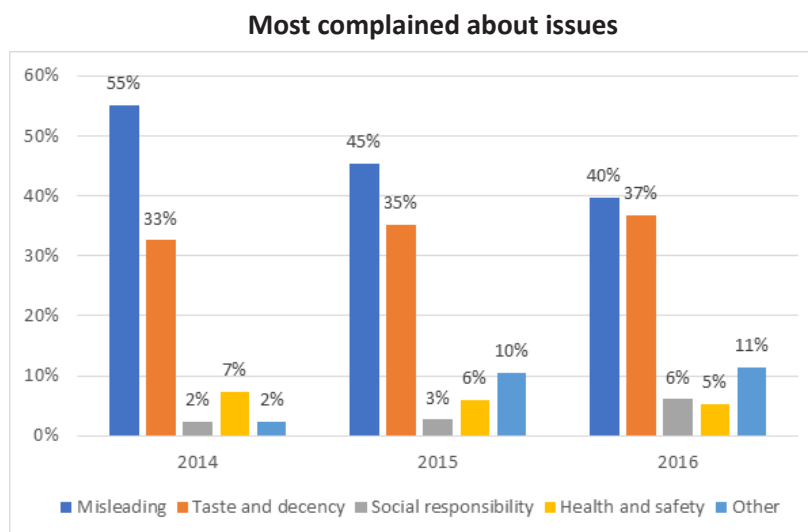
The figure below illustrates the recent dynamics of advertising complaints, copy advice and pre-clearance numbers in Europe.

EASA advertising statistics in a nutshell



Source: EASA European SRO member statistics 2016

Although misleading advertising remains the biggest cause for concern in 2016, with **40%** of all complaints received and dealt with by SROs related to misleading advertising, the proportion of consumer complaints related to taste and decency issues kept on increasing and triggered an overall of **37%** of all complaints in 2016 (as shown in the illustration below).



Source: EASA European SRO member statistics 2016

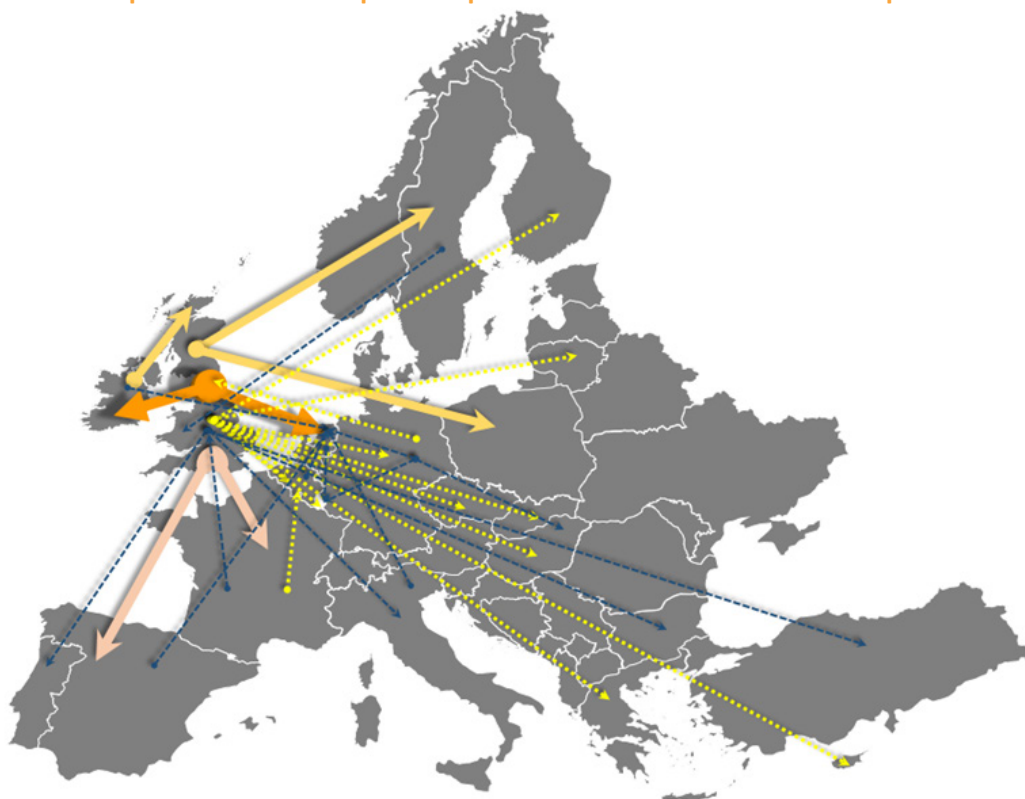
Digital Marketing Communications (DMCs) accounted for the highest share of all complaints in Europe in **2016** with **33%** of the total amount of complaints. Ads broadcast on audio-visual media services ranked second (following the trend of **2015**) with an overall **29%** of all complaints and outdoor advertising with **17%** of complaints.

Furthermore, the highest proportion of complaints received was related to advertisements for leisure services (**18%**), significantly up from last year when only **9%** of all complaints was related to this category. By contrast, complaints about ads for health and beauty products decreased to **9%** from the previous **13%**. The third and fourth runners-up are complaints about ads promoting retail service (**7%**) and electronics (**6%**), which remained at around the same level as in **2015**.

CBCs

In **2016**, SROs received a total of **150** cross-border complaints, **9%** more than in 2015. Ireland and the Netherlands were the country of origin of advertisers/media that generated the highest number of cross-border complaints at **23%** and **17%** respectively. Meanwhile, the vast majority of cross-border complaints were lodged by UK consumers (**83%**). The visual representation of the CBC trends in terms of countries transferring the complaints can be found in figure below.

Cross-border complaints' referral map: visual presentation of CBCs trend in Europe in 2016



Source: EASA European SRO member statistics 2016

ENSURING MEANINGFUL ADVOCACY AND SERVICES

ADVOCACY AND OUTREACH TOWARDS INSTITUTIONAL STAKEHOLDERS

AVMSD

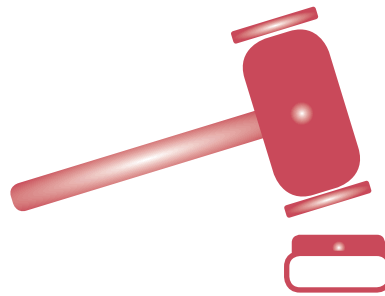
The EU's Audiovisual Media Services Directive (AVMSD) governs EU-wide coordination of national legislation on all audiovisual media, both traditional TV broadcasts and on-demand services. It also regulates commercial communications in the audiovisual world, particularly television advertising, tele-shopping, sponsorship and product placement. The AVMSD is currently open for review.

EASA has been heavily involved in the review process ever since the initial stakeholder meeting to ensure that the value advertising self-regulation provides is recognised and provisions on Self-Regulation were well embedded in the Commission's proposal in 2016. Throughout 2017, EASA was present and active at all stages of the legislative process alongside its industry members in Brussels and SRO members leveraging input at Member State level, making sure provisions on Self-Regulation were well preserved. At the end of 2017, in the final trilogue negotiation phase, EASA continued to ensure that the adopted text is the most favourable one for Self-Regulation and Co-Regulation (SRCR), making sure for instance, that potential union codes of conduct do not undermine national codes and that enforcements of self-regulatory codes is not done by authorities, which would go against the very principle of self-regulation.

WHAT'S NEXT ?

The AVMSD continues to be in trilogues, and negotiations seem to be blocking on Article 4a, which concerns advertising self- and co-regulation. In order to ensure that a favourable wording is adopted, EASA, together with its members, is multiplying its outreach activities towards various stakeholders - including the co-rapporteurs in Parliament, relevant actors at Member State level, and high-level officials in the Commission. These activities are ongoing, and will continue throughout the trilogue negotiations, which the Bulgarian Presidency is hoping to conclude by April 2018.

REFIT of EU Consumer Law



Review programmes aim to make sure that EU laws deliver their intended benefits for citizens, businesses and society, while removing red tape and lowering costs. Within this scope, in 2017, the European

Commission evaluated several EU consumer and marketing laws, including the Unfair Commercial Practices Directive (UCPD), the Injunctions Directive (ID), the Misleading and Comparative Advertising Directive (MCAD) and the Consumer Rights Directive (CRD). This corpus of law is aimed at boosting consumer confidence and protection, making it easier for businesses to trade across borders, and protecting consumers and traders against misleading advertising and its consequences.

At all stages, from the initial interviews with consultants to the submission of position papers to the public consultations on the Fitness Check, and from the participation in stakeholder meetings at the European Commission's Directorate-General for Justice and Consumers (DG JUST) to an ongoing contact with the European Commission's Marketing Law Unit, EASA strove to put forward the values and effectiveness of self-regulation. EASA stressed that the current framework with industry self-regulation and best practices do already provide a high level of consumer protection, as well as sufficient legal certainty for businesses. It further highlighted that it is paramount to strike the proper balance between providing sufficient information to the consumer and ensuring the related requirements are not too burdensome for businesses.

WHAT'S NEXT ?

The files will be followed closely as the Commission has announced that it will present its proposals to revise the UCPD, the ID and the CRD (among others) on 11 April 2018, and possibly adopt «A New Deal for Consumers» package. EASA is currently preparing for the expected proposals, and is actively involved in a working group on the REFIT of EU Consumer Law regrouping EASA, FEDMA, ZAW and AIG. This preparatory work largely involves anticipating the potential content of the proposals, analysing this content and its possible implications, preparing communications to the European Commission and strengthening the organisation's network in order to be optimally positioned by the time the proposals are published.

ePrivacy

On 10 January 2017, the European Commission published a proposal to replace the existing ePrivacy Directive with a Regulation with the aim of strengthening online users' trust by guaranteeing a high level of privacy and personal data protection.

EASA monitored this development closely and provided, when appropriate, support to its industry members and to EDAA members with material and arguments in favour of self-regulation.

The new proposal raised several concerns, such as the lack of consistency with the General Data Protection Regulation (GDPR) regarding the grounds for data processing, the collection of consent at browser level, and the restrictions to the collection of consent by third parties. The envisaged regulation could change the entire way the Internet is working today and could make the OBA framework redundant. Furthermore, it may ultimately restrict the scope of online advertising, having an adverse impact on the quality of consumer experience, as well as on creativity, or on business models which ultimately finance online content.

Fierce discussions took place in the European Parliament in 2017, ending with a vote during the Plenary session in October and the adoption of the EP report on the ePrivacy Regulation. The Council released a consolidated version of the Regulation in December 2017, summarising the work done so far in the Council as a basis for future progress.



Consumer Protection Cooperation Regulation

In 2016, the European Commission published a proposal to revise the regulation on cooperation between national authorities responsible for the enforcement of consumer protection laws, with the aim of clarifying and developing the powers of enforcement authorities, improving the coordination of their market monitoring activities, and creating alert mechanisms to detect infringements faster compared to the current legal framework.

EASA has been active to ensure that these new provisions do not undermine the SR system, by making sure, among other issues, that, where applicable, effective private enforcement of consumer protection rights may continue operating and that the powers granted to the enforcement authorities do not enter in conflict with contract law and national practices.

CONSUMER
PROTECTION

WHAT'S NEXT ?

The Council will now have to determine its final proposal, as discussions will resume under the Bulgarian Presidency, which has indicated that it aims to reach an agreement on the text by June 2018.

However, many Member States have still not managed to define their own position and are carrying out in-depth evaluations, in the hope of responding to the numerous concerns that still exist regarding the file - in particular alignment with the GDPR and issues relating to article 10. Inter-institutional trilogues will then take place if the Council does not agree with the EP's amendments and might start by the end of 2018 if current objectives are met. It will likely take until mid-2019 or the end of 2019 for the ePrivacy Regulation to come into force. EASA will continue to monitor the file in accordance with EDAA and its industry members.

WHAT'S NEXT ?

The Regulation on the cooperation between national authorities responsible for the enforcement of consumer protection laws entered into force on 16 January 2018.

The Regulation was published in the EU's Official Journal on 27 December 2017 and will be applicable from 17 January 2020. The final Regulation is satisfactory from EASA's point of view, as it is in line with its efforts to ensure that the new provisions do not undermine the SR system.



Consumer Credit Directive

The Consumer Credit Directive aims to ensure, through a harmonised set of rules, that a high level of consumer protection applies across EU member states. Furthermore, it helps improve consumer confidence and understanding of credit products.

EASA provided support to its member AER in trying to obtain a revision of article 4 of the Consumer Credit Directive. AER aimed to remove this article, which imposes the compulsory provision of extensive information in advertising for credit related products, whilst not necessarily providing listeners with actionable information. This joint effort has proved to be useful as the stakeholder group of the REFIT platform recommended assessing the effectiveness of this information provision which might result, in 2019, in guidance to Member States ensuring shorter information requirements.

Fake news

The issue of “fake news” has grown increasingly prominent towards the end of 2017 and the beginning of 2018, surfacing

in discussions between EASA and some of its members, at the level of European policy-makers, and within various EU Member States.



Several national initiatives have been launched, soon joined by an EU public consultation on Fake News and Online Disinformation published by the European Commission in November 2017.

EASA has been following the policy file from its inception, attended a number of meetings and events on the issue, interacted with various stakeholders in order to narrow down its own position, and been involved in an industry working group including EACA, IAB Europe, EPC, WFA, EDAA, FEDMA and NME. EASA also met with representatives of Reporters Without Borders, who are considering launching a scheme called the ‘Journalism Trust Initiative’.

EASA has assessed the importance of the issue of fake news for its membership and for the advertising industry in general, and has responded to the public consultation through a position paper, judging that it was necessary to inform the Commission of the good work that is being done by SROs in fighting (online) disinformation.

WHAT'S NEXT ?

In 2018, the Commission will publish a proposal on how to help combat fake news. Advertising is likely to be within the scope of whichever initiative the Commission decides upon and spreading awareness about advertising self-regulation will remain important throughout the preparatory phase. EASA is continuing its outreach towards relevant actors and stakeholders in order to achieve this, will keep actively following developments on the file, and will remain alert for potential opportunities for its members.



International Chamber of Commerce & Advertising and Marketing Communication Practice Consolidated ICC code revision

As many EASA SRO members directly apply the ICC Advertising and Marketing Communication Practice (Consolidated ICC Code) or use national codes which draw their main substance from it, EASA has been strongly involved in the code revision process launched on the occasion of its 80th anniversary. EASA's Director General is part of the code revision taskforce which also includes some of its key SRO members such as ARPP, the French SRO led by Stéphane Martin, EASA's Chairman. EASA's Senior Advisor, Oliver Gray is co-chair of the Code Revision Task Force alongside Anders Stenlund, leading figure of self-regulation in Sweden, who holds an advisory position on EASA's Executive Committee.

This provided provided EASA members with multiple opportunities to feed in the code revision process, especially SROs who, as practitioners, refer to its main principles on a daily basis. Through two meetings in Paris in June and San Francisco in December 2017 and numerous workstreams, all the members of the taskforce have aimed to enhance the current code ensuring that key principles such as privacy, responsibility and identification are prominent and up-to-date, that the code reflects the progression of digital marketing communications including influencer marketing, as well as new channels and platforms. Core work has been undertaken in 2017, especially regarding direct marketing and digital interactive media, with the objective of having the new code ready and approved by mid-2018.

Beyond the code revision process, EASA has actively kept working relations with ICC Belgium and ICC worldwide, providing input on various guidelines and any SR network related issues, as well as promoting the 80th anniversary of the code and the Academy's online course on responsible marketing and advertising.

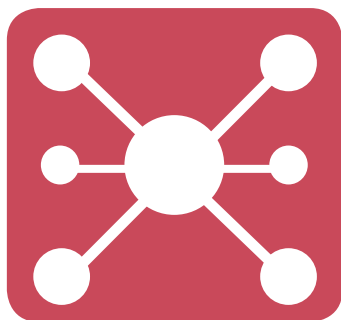
The Community of Practice for better self- and co-regulation (the CoP)

Since 2013, the Community of Practice for better self- and co-regulation (the CoP) has been an EU Commission led pilot project looking at the role of self- and co-regulation (SRCR) in the policy process, gathering stakeholders interested in sharing experiences and testing the «Principles for better self- and co-regulation».

Throughout 2017, EASA strongly advocated for the Community of Practice (CoP) and played an active role in it. It took part in the 8th CoP plenary meeting held on 26 January 2017 which covered topics such as forthcoming initiatives, knowledge basis code provisions in hard law, monitoring and SRCR in ex-post initiatives.

EASA also raised concerns regarding the decision of the European Commission to phase the CoP out. It engaged with representatives of the Commission Secretariat-General and of the European Economic and Social Committee as the CoP was a useful platform to bring stakeholders together aside from issue specific agendas and to raise awareness of SRCR across EU institutions. Unfortunately, the pilot project came to an end as it was considered to have largely fulfilled its original purpose.

EASA ensuring maximum outreach



Outreach to policy makers

Aside from targeted meetings and exchanges linked to the above-mentioned policy files, EASA ensured high-level contacts with the EU institutions on other SR related topics:

- EU Commission Secretary-General: John Watson, Director of the Better Regulation and Work Programme Directorate and Mona Björklund, Head of the Impact Assessment Unit.
- Council of Europe: Roberto Fasino, Head of Culture, Social and Sustainable Development department.
- EESC (European Economic and Social Committee): Jean-Pierre Faure, Head of the secretariat of the Single Market Observatory at the European Economic and Social Committee.
- ERGA (The European Regulators Group for Audiovisual Media Services): Oli Bird, Chair of ERGA's working group on co and self-regulation.

Last but not least, on the occasion of EASA's 25th anniversary, the presence and engagement of important EU representatives such as Martin Siecker, President of the Section for the Single Market, Production and Consumption, at the European Economic and Social Committee (EESC), Claire Bury, Deputy Director-General of the EU Commissions' DG CONNECT, as well as Dr. Madeleine de Cock Buning, Chairperson, ERGA greatly contributed to raising the profile of EASA and advertising SR.

Outreach to Tech Companies and associations

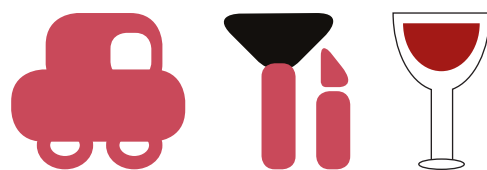
EASA initiated and maintained working contacts with key tech companies and related industry associations with the aim to better understanding their considerations, their vision of the regulatory framework and how it might impact their industry. Through these exchanges, EASA explained how self-regulation could be a relevant option to facilitate their business environment. EASA's goal is for these contacts to be beneficial to its members and network through support of initiatives at national level and participation to EASA events. Aside from its member, IAB Europe, EASA kept contact with: Google, Facebook, the Interactive Software Federation of Europe (ISFE) and the European Games Developer Federation (EGDF).

Outreach to other associations

EASA met numerous industry associations active in Brussels in order to reactivate former working relations, better understand their concerns, raise the profile of advertising SR and ultimately build fruitful relationships.

To name a few, in 2017, EASA met the representatives of:

- The European Automobile Manufacturers' Association (ACEA)
- The Branded Content Marketing Association (BCMA)
- Business Europe
- Comité Vins (CEEV)
- Cosmetics Europe
- European Gaming and Betting Association (EGBA)
- Leaseurope, the European Federation of Leasing and Automotive Rental Associations
- Spirits Europe
- Wine in Moderation





EASA taking part in high level meetings

EASA's Director General, Lucas Boudet took part in panel alongside MEPs on the topic "Over-regulation of consumer goods: A slippery slope?" on 8 June 2017.

He also participated in workshops on consumer protection and advertising in EGBA's third regulators' workshop. The idea behind the event was to exchange views regarding data and advertising and touch upon the public policy and the commercial objective of advertising.

Mathilde Fiquet, EASA's Treasurer, participated in the international conference "Freedom under pressure" organised by the faculty of law of the university of Ghent in Belgium in December 2017. The conference touched upon Privacy & Data Protection, with Mathilde Fiquet, being part of a panel on targeted advertising putting forward self-regulation especially regarding vulnerable groups as well as EDAA and the OBA (online behavioural advertising) network.

EASA participating in member events

EASA was also represented at many of its members or members' members events including P&G's yearly industry association lunch, the ISBA annual conference, EMMA's future media lab, AER's Annual Conference, EACA's Euro Effie awards and Care awards, as well as the EDAA Summit. EASA also took part on a regular basis in WFA's Policy Action Group and RAC (Responsible Advertising and Children Programme) meetings. These events were not only ways to showcase EASA's support but a great opportunity to mingle with key participants and get informal feedback or information from members.

WHAT'S NEXT ?

EASA will continue its outreach both in breadth and depth. EASA will continue meeting meaningful associations who demonstrate or might demonstrate an interest in self-regulation as well as continue building on renewed relationships through a second round of meetings and concrete collaboration, especially regarding digital players.

DEVELOPING EASA'S PRODUCTS AND SERVICES

Monitoring projects

EASA has been coordinating monitoring exercises to assess sectoral compliance in different markets for over a decade. In 2017, EASA renewed its long-standing collaboration with the EU Pledge Secretariat and members and ran the 7th monitoring exercise to assess the compliance of digital marketing communications for food and non-alcoholic beverage products, as part of the industry's voluntary commitment, known as the 'EU Pledge'.

Aside from the food industry, EASA has provided monitoring services to other sectors wishing to check the compliance of their marketing and communications with their industry standards.

EU Pledge

The EU Pledge is a voluntary commitment of leading food and non-alcoholic beverage companies to the European Union Platform for Action on Diet, Physical Activity and Health, to limit their advertising to children under 12 to products that meet specific nutritional standards. The EU Pledge is a response from industry leaders to calls made by the EU institutions for the food industry to use commercial communications to support parents in making the right diet and lifestyle choices for their children. The EU Pledge programme is endorsed and supported by the World Federation of Advertisers.

GRS Wikiregs

The G-Regs Initiative is an online platform presenting advertising regulatory and self-regulatory rules via a user-friendly web interface. GRS further developed its concept by designing "Wikiregs", a free of charge platform providing advertising-related regulatory and self-regulatory information targeting agencies, marketers and legal professionals.

GRS contracted EASA to coordinate the review of texts that summarise national self-regulatory rules in several key product sectors.

Throughout 2017, EASA's self-regulatory network in Belgium, France, Italy, the Netherlands, Poland, Spain, Sweden and the UK, reviewed five of nine sectoral summaries of the advertising rules applicable in the eight markets mentioned above.

EU Pledge accountability mechanism

EASA has been contracted to design and implement an accountability mechanism allowing to handle complaints regarding alleged breaches of the EU Pledge Commitments. In 2017, building on its network and expertise, EASA has been in the process of designing a system that will provide independent assessments of complaints using adjudications by an independent panel of experts.

WHAT'S NEXT ?

EASA is foreseeing its continued involvement in the Wikiregs project until all of the planned sectors are covered. 2018 will also be the year when the EU Pledge Accountability Mechanism will be set up and fully operational, ready to handle any request for assessment by the European Commission. EASA will also consider any initiative where its expertise may be relevant and where there might be opportunities for the advancement of advertising self-regulation or its SR network.

NOTABLE EVENTS



EASA Best Practice Awards

The EASA Best Practice Awards took place during the Bi-Annual Meetings in Athens, and awarded initiatives over a period of two years in a double ceremony: the Best Practice Awards 2016 and Best Practice Awards 2017.

The Advertising Council of India (ASCI) won the 2016 Gold Best Practice Award for its mobile App “ASCIonline”. The App allows for an easy and convenient way of lodging complaints against false advertising, and resulted in a significant increase in ASCI’s reach across India.



The Consejo de Autorregulación y Ética Publicitaria (CONAR) won the 2017 Gold Best Practice Award for its Advertising and Ethical Framework Certification within CONAR’s e-learning programme, PEC. The programme is aimed at industry professionals, public officers, academics and students and the Certification is given to those who have run through the



programme and learned about the main issues in advertising, self-regulation, local regulation as well as the basic criteria to analyse advertising campaigns.

The 2016 Silver Award was won by the Advertising Standards Authority (ASA) UK for their Prioritisation Principles – a set of high-level principles guiding the ASA in making decisions on what its regulatory priorities should be.



In the 2017 edition, Silver was awarded to Reklamombudsmannen (Ro) Sweden for their workshops about influencer marketing in social media.

The judges awarded Bronze in the 2016 Best Practice Awards edition to Auto Regulação Publicitária (ARP) Portugal for their work on creating training session on rules and ethics of advertising and other forms of commercial communication.

The 2017 Best Practice Bronze Award was won by the Advertising Standards Authority (ASA) UK for their work on broadband pricing.

A Special Mention was awarded to the Advertising Standards Canada (ASC) for the new interpretation guideline integrated into their code. The new Interpretation Guideline requires clear and prominent disclosure of any material connection between an influencer and the endorsed product or service, thus helping consumers know when a blog/post/review has been sponsored.



Adrenalino Creativity Conference Adfest in Lithuania

EASA attended the Adrenalino Creativity Conference – Adfest – in Lithuania in June 2017 to strengthen its ongoing efforts to raise SR awareness in the CEE markets. Its representative Justina Raižytė EASA Development and Policy Adviser spoke about responsible social media advertising and existing SR guidelines for online affiliate marketing in Europe. In her presentation Justina also highlighted the context of marketing via social media in Lithuania and asked what lessons local bloggers/vloggers and other social influencers could take from best practice examples from other European countries.

Later in the programme, Justina also participated in the panel discussion during the Adfest event, debating on the psychological impacts of advertising imagery with academics and marketing practitioners. The audience, which included many professionals from the creative industries and agencies, was particularly interested hearing about the role of the SR code in their everyday tasks to create powerful marketing messages.

UNICEF Conference: The Impact of Marketing on Children's Rights

In December 2017, Justina Raižytė gave a presentation on advertising self-regulation and its benefits to consumers at the Conference on Marketing and Children's Rights organised by UNICEF in The Hague. During the conference three panel sessions engaged actors from government, business, and civil society to raise awareness about the impact of marketing, as well as, what is needed, what is being done, and what

opportunities exist to support children's rights in marketing. Justina presented the work and progress achieved by SROs in this regard and talked about how the dynamic, flexible and responsible advertising SR system is equipped to address issues regarding marketing to children online. The panels included legal experts working on the aspects of children's rights, representatives from the World Health Organisation, NGOs, national and local government bodies, professors and researchers working in the public health field.

At the end of the conference, all participants agreed that the challenges brought by speedy technological developments can only be addressed by continuing the cross-sectoral dialogue and working together.





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