

Global Marketing and Advertising Commission Meeting

SUMMARY

13 June 2023, 14:00 – 17:00 CEST (Paris Time)

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1. Opening Session

The meeting was opened by **Kristin Green, Chair of the ICC Global Marketing and Advertising Commission**, welcoming participants.

Next, **Andrew Wilson, ICC Global Policy Director**, discussed ICC's Global Policy Department policy updates and objectives for 2023 whose focus remains on providing a value-added service and maximising the impact of its Global Commissions. The Global Policy department has made significant progress in recruiting more members to the Global Commissions in the past two years and bringing companies back in the various ICC policy workstreams.

Going forward, there are several areas of work of potential interest for the Global Marketing and Advertising Commission:

- Participation at UNFCCC's COP 28 in Dubai: Like every year, ICC plans to launch new
 policy content and host the main business pavilion with two weeks of programming. The
 Global Marketing Commission's work on environmental marketing will be featured, and
 members are encouraged to participate in this year's events.
- ICC Standards for Sustainable Trade and Sustainable Trade Finance, an industry
 framework for measuring the sustainability of trade transactions. Several pilots with banks
 and the textile industry have been completed to date and an updated version of the
 Framework is expected to be published at COP 28. Global Marketing Commission
 members are encouraged to engage if they have any interest in this work.
- Standard setting work: (i) ICC members have been involved in discussions regarding responsible engagement in sensitive markets, particularly in the context of the war in Ukraine. ICC plans an event/publication on this issue at the upcoming Paris Peace Forum.
 (ii) Multinational companies are working on the revision of the ICC Code on combating corruption, another self-regulatory tool, which will be ready for launch by the end of the

year or in Q1 of 2024. Members are encouraged to get engaged in any of these efforts.

ICC's Global Policy Director acknowledged the importance of the ICC Marketing Code and emphasised the need to ensure its effective launch. ICC's priority as an institution remains to promote marketing self-regulation and gain the support of more companies and governments to adopt the ICC Marketing Code for their advertising practices. The Global Commission Chair and Co-chairs of the Code Revision Task Force were thanked for their efforts in this regard.

2. Commission work projects and industry initiatives

2.1 Keynote from industry representative

Delivered by Josh Loebner, Global Head of Inclusive Design, Wunderman Thompson

In his keynote, Josh shared his insights on the importance of accessibility in advertising and reminded the audience that, over the past years, the interest in operationalising accessibility has been on the rise, making it a crucial aspect for the future of advertising. Major brands worldwide are taking massive initiatives to offer accessible products and services that are now hitting the mainstream.

Josh highlighted that representation also plays a pivotal role in reframing how disability is perceived and portrayed. By adopting accessible advertising and marketing strategies, brands can bridge the remaining gaps in our society. To make this vision a reality, effective policies need to be put in place to act as guardrails and provide structure, ensuring that accessibility can thrive for all. As we continue to embrace accessibility and inclusion, there is a unique opportunity for ICC to advocate for and give a voice to those with disabilities, shaping how they are represented.

Speaking about AI, Josh emphasised that it had the potential to promote greater diversity, equity, inclusion, and accessibility. However, to harness this potential, it is crucial to establish human guardrails that prioritise ethical considerations when implementing AI systems. Furthermore, it is essential to ensure that quieter voices within AI discussions and policy-making processes are given due attention and heard and prevent any form of segregation or marginalisation that some groups or individuals might experience as we move forward.

2.2 ICC Marketing Code – 11th revision process

Delivered by Anders Stenlund and Oliver Gray, Co-Chairs of the Task Force on Code Revision

Co-Chairs of the Task Force on Code Revision provided insights from the Task Force meeting held earlier in the day. The morning meeting's primary focus was on the General Provisions section. Commission members themselves have been also presented with a side-by-side analysis of the original and revised versions of the General Provisions. The main aim is to move the Code into the future, ensuring its relevance in dealing with advancements such as Al and machines. A significant topic of discussion was the new article and definitions concerning influencer marketing and kidfluencers. The definition of influencer marketing was adjusted to incorporate valuable input received from various sources. Force members expressed reservations about the term kidfluencers, and, as a result, there was a unanimous agreement among the members to remove the definition of kidfluencers from the discussion.

Regarding the substantiation of claims made in marketing communications, the definition of substantiation was removed and integrated into Article 6. Disinformation and hate speech were topics on which members reached a consensus to address. As regards data protection, it was collectively agreed that a section on this topic should still be included in the Code. Regarding dark commercial patterns (DCPs), Task Force members reached a consensus on addressing this matter more concisely.

A proposal for a taxonomy of harm has been put forward for consideration but it was agreed that the topic might necessitate a conversation beyond the Task Force on the Code Revision members. The Co-Chairs have recognised its significance as an actionable item to be introduced to the Global Marketing and Advertising Commission. Suggestions were also put forward regarding the incorporation of other aspects consistent with the recent WFA Global Media Charter. Some Task Force members suggested that many of these aspects might not be suitable for inclusion in a normative code. Instead, they could be presented as a statement if ICC chose to issue one.

Finally, it has been reminded that certain Code elements are aspirational, so it is important to maintain clarity in the language. While the aim of the Code is to have a modern appearance, integrating concepts like Al and the metaverse, it is crucial to proceed with care as our ultimate goal is to create a timeless Code. It is also essential to strike a balance in terms of the level of specificity within the Code versus what would be more suitable for inclusion in the Frameworks.

The Co-Chairs urged Commission members to provide feedback on more substantive matters they may wish to address and reminded them that they had an additional few weeks to contribute their comments.

2.3 ICC Marketing Code – 11th revision process – promotion and communication campaign

Delivered by Maria Mossenberg, ICC Global Marketing and Advertising Commission Vice-Chair

Maria Mossenberg, Vice-Chair of ICC's Global Marketing and Advertising Commission and expert in communications presented her draft communication strategy and plan for the revised Code. In her presentation, she outlined the key drivers behind the Code such as providing a building block for self-regulatory structures, providing ethical guidelines to businesses, and allowing for flexible application of shared rules across different jurisdictions.

She also mentioned the Code's role in promoting responsible advertising and high ethical standards in marketing by business self-regulation and in the long term building trust for commerce as such. She then highlighted how the revised Code should become an even more relevant, understandable and accessible publication.

Maria then moved to the communication strategy itself. The campaign should target key stakeholders such as media outlets, authorities, advertisers, ICC members, SROs, org/associations, agencies (adv. Coms. Legal), decision-makers, and National Commissions. The campaign should also include a plug-and-play toolkit in different languages for national chapters to ensure a global and national reach. She also presented a draft timeline for the campaign, which could be seen in the slides.

An **open invitation was extended to all interested Commission members** to participate in the communications working group.

2.4 Spotlight on upcoming Global Commission revisions and initiatives

 Discussion on Framework for Responsible Alcohol Marketing Communications & Framework for Responsible Food and Beverage Marketing Communications moderated by Oliver Gray, Co-Chair of the Task Force on Code Revision

In response to requests from members, there was an emphasis on prioritising the update of both the <u>Framework for Responsible Alcohol Marketing Communications</u> and the <u>Framework for Responsible Food and Beverage Marketing Communications</u>. Both these Frameworks contain specific guidelines for advertising related to food, beverage and alcohol.

A preliminary schedule has been proposed to Commission members. By the fourth quarter of 2023, the fundamental components of the main Marketing Code should be finalised. Following this milestone, the relevant sectors can collaboratively identify the specific topics they wish to address within these additional Frameworks, in addition to other Code areas. This approach allows ample time to draft provisions concerning food, beverage and alcohol advertising. With the main Marketing Code set for launch in Q2 of 2024, the goal is to ideally have an initial draft of these two Frameworks ready by June 2024. Consequently, plans have been being formulated to introduce these Frameworks around September 2024.

It has been unanimously agreed that the primary focus for the Global Commission should however be to ensure the main Marketing Code is updated first and remains consistent throughout.

 Discussion on ICC/ESOMAR International Code on Market and Social Research delivered by Anders Stenlund, Co-Chair of the Task Force on Code Revision & Geraldine Proust, Head of Public Affairs and Professional Standards, and Judith Passingham, Chair of the Professional Standards Committee at ESOMAR

A decision regarding a joint revision of the <u>ICC/ESOMAR International Code on Market and Social Research</u> was awaited from the Commission. By way of background, the ICC/ESOMAR Code stands as a testament to self-regulation over the past 75 years. Its objectives are threefold: (i) upholding and fostering trust in sound research practices, (ii) ensuring adherence to professional standards, and (iii) maintaining consumer confidence.

The joint ICC/ESOMAR code was established in 1976 due to the shared membership between the two entities, necessitating a unified global code. This Code sets essential standards of ethical and professional conduct while safeguarding researchers' rights to gather, share, and receive information, as articulated in Article 19 of the UN Covenant of Civil and Political Rights.

Changes to consider include: technology changes (AI, ChatGPT, metaverse, blurring of lines between MR and marketing) / data privacy trends and blurring the lines between primary and secondary data / transparency of new sources of data / who is a researcher / new sciences leveraged (neuroscience) / research tech and platforms: who is responsible for what / ISO review of standards 25252 (next review in 2024) / ICC Marketing Code review.

The proposed timeline unfolds as follows: following approval from the ICC Commission, in Q3 2023, ESOMAR will work on defining the scope of market research within the framework of the ICC

Marketing Code. Simultaneously, ESOMAR will conduct a comprehensive gaps analysis for the ICC/ESOMAR Code. By Q4 2023, the collaborative efforts between ICC and ESOMAR will crystallise into a detailed timeline for the revision process. This will set the stage for industry-wide consultations to address identified gaps effectively. Between 2024 and 2025, the ICC/ESOMAR working group will meticulously draft the revised text of the Code. This will involve several rounds of consultations with stakeholders, culminating in the approval of the final Code by each side.

Importantly, the revision proposal has been met with unanimous support, as no opposing votes or perspectives have arisen.

2.5 Environmental marketing initiatives

Members heard updates from relevant initiatives in the field of Environmental marketing.

 Discussion on Responsible Environmental Marketing Communications course delivered by Peter Friedman and Jennie Irving, ICC Global Learning, and John Ely Templonuevo, Senior Learning Designer, ICC Academy

The presentation discussed the development of a new course on responsible environmental marketing communications (REMC) by ICC's Global Learning team with support from ICC Academy. This effort drew inspiration from a course originally pioneered by ICC Sweden. The main aim of this course is to equip professionals with the skills to effectively navigate the technicalities outlined in ICC's Framework for Responsible Environmental Marketing Communications. It will consist of two hours of self-paced learning, followed by an end of course assessment to certify the learner's understanding of the principles and other taught material.

Scheduled for release in November 2023 in time for COP28, the team leading this project sought support from Commission members in the following ways: (i) providing case studies, examples or decisions from different administrative bodies for illustrative purposes that can be repurposed (with the right permissions), (ii) peer-reviewing the course for accuracy, (iii) being interviewed on camera – with ICC staff technical support – about their experiences with the framework so that these videos can be integrated into the course, (iv) leading live follow up trainings, or (v) promoting the course.

Commission members who are interested in offering their support are invited to **answer a short 2** minute <u>questionnaire</u> before 8 September 2023.

 Presentation on Proposal for a Directive on substantiation and communication of explicit environmental claims (Green Claims Directive) and ICC response delivered by Lucas Boudet, ICC Global Marketing and Advertising Commission Vice-Chair

The <u>Directive Proposal</u> originated from the Directorate-General for Environment of the European Commission. The presentation focused on the key aspects of the directive and the International Chamber of Commerce's (ICC) response to it.

Currently, there is an opportunity for feedback on the proposal while awaiting responses from the European Parliament and Council. It is anticipated that the directive may be approved after the European Parliament elections in 2024. The directive primarily concerns business-to-consumer commercial communication and applies specifically to voluntary environmental claims in textual form and those found in labels. It acts as a specialised law in conjunction with the Unfair

Commercial Practices Directive (UCPD) and the Empowering Consumers for the Green Transition Directive.

The emphasis of the EC's Green Claims Directive is on requiring scientific evidence to substantiate claims, while considering applicable global standards. However, an unexpected and concerning measure stipulates that all explicit claims must be ex-ante certified before dissemination. This places both a weight on businesses and diminishes the self-regulatory nature of marketing. Such intricacies are inherent in the Directive.

ICC Sweden has drawn attention to a proposal put forth by its members, currently being circulated among the global network by the ICC Secretariat. ICC intends to submit a written feedback prior to the EC's deadline, on 21 July.

2.6 ICC & ISO (International Organization for Standardisation: Committee on consumer policy (COPOLCO) – possible guidelines on marketing to children and more

Moderated by Lucas Boudet, ICC Global Marketing and Advertising Commission Vice-Chair

In 2019, <u>ISO's Committee on consumer policy</u> (COPOLCO) proposed the release of guidelines on marketing to children, which would have overlapped with the ICC Marketing Code. However, this proposal faced challenges as ICC's National Committees helped express pushback, leading to <u>its</u> rejection in a vote by ISO members.

More recently, there has been a memorandum of understanding (MoU) signed between ISO and ICC, indicating improved cooperation, and raising the possibility of revisiting the marketing to children guidelines proposal.

The presentation highlighted concerns regarding certain states, such as France, where the French ISO member, AFNOR, has put forward a framework for commercial influence. France has already implemented measures to regulate the profession of influencers and content creators, making it a leader in this field. This raises the potential risk that an area that was previously governed by self-regulation may attract government regulations.

Currently, there is no official proposal from ISO regarding marketing to children's guidelines. However, the audience was advised to stay prepared in case such a proposal resurfaces. The presentation emphasised the need for proactive engagement and self-regulation to prevent increased governmental intervention in this domain.

2.7 World Federation of Advertisers (WFA) Global Media Charter 3.0

Delivered by Matt Green, Director of Global Media Services, WFA

WFA's <u>Global Media Charter</u> has undergone previous updates in 2008 and 2018, and Charter 2.0 was developed to address industry needs at the time. However, due to the evolving challenges faced by advertisers, a new media Charter was required in 2023 to provide a strategic framework that reflected the current landscape.

The familiar issues addressed by the Charter include measurement and accountability in the media ecosystem, as well as competition and plurality within the industry. A significant concern now is the high concentration of the media market. Additionally, new issues have emerged, such

as media ESG responsibility, promoting responsible news outlets, ensuring diverse and inclusive audiences, and enhancing the sustainability of the media ecosystem.

To amplify the WFA message, industry leaders have been nominated for each section of the charter. The document was designed for two main audiences: the industry itself, including agencies, media owners, and platforms, and the community of advertisers. The Charter emphasises the need for advertisers to make conscious media choices and invest in the best media, moving beyond simply avoiding the worst options.

The previous iteration of the charter, Charter 2.0, acted as a catalyst for initiatives such as the Global Alliance for Responsible Media (GARM), which focused on safeguarding the web, and Halo, an advertiser-led program for democratising media measurement. Similar expectations were placed on Charter 3.0 to act as a catalyst for positive change in the industry.

2.8 European & international regulatory developments

Delivered by Lucas Boudet, ICC Global Marketing and Advertising Commission Vice-Chair

Lucas Boudet's presentation revolved around Influencer marketing. While not yet legislated, Europe is gearing up to address this issue in the near future. Various bodies, such as the Council of Europe who has produced a report on the matter, are currently examining the realm of influencer marketing. Additionally, the upcoming Belgian presidency intends to prioritise this topic and include it on their agenda. The Unfair Commercial Practices Directive (UCPD) also provides guidance on influencer marketing. There has been a recent hearing at the European Economic and Social Committee discussing potential regulations for this subject. While the discussions are not legally binding, they are certainly generating a significant amount of discourse.

The European Advertising Standards Alliance (EASA) <u>Best Practice Recommendation on Influencer Marketing</u> first published in 2018, has been updated in 2023. This document offers definitions of relevant terms and aligns with the ICC Marketing Code. It provides guidelines on disclosing necessary information, serving as a foundation to ensure that sector-specific self-regulatory organisations (SROs) have rules in place. Data-driven marketing was also touched upon, with a mention of 16 SROs invested in Al tools for online marketing monitoring. France has an existing monitoring system for its role in overseeing compliance.

In essence, it is a noteworthy phenomenon that requires attention. ICC Commission members should consider how to align general principles with the specifics of these practices.

3. Date of the next 2023 Global Commission meeting and closing remarks

In her closing remarks, Kristin Green reminded members that the ICC secretariat will circulate the results of the ICC National Committees engagement survey.

The ICC secretariat will announce the date for the upcoming winter Commission meeting in the appropriate time.