



International Chamber of Commerce

The world business organization

Department of Business Policy and Practice

Commission on Marketing and Advertising

Introduction

In August 2006, the International Chamber of Commerce finalized the eighth revision of the Code for Advertising and Marketing Communication Practice. The first ICC Code of Advertising Practice was published in 1937, to provide a globally accepted framework for responsible creativity and communication. This general Code has been regularly updated ever since and to it have been added separate codes on sales promotion, sponsorship, direct marketing, electronic media and environmental advertising, as well as on market research and direct selling. Further advice is provided by guidelines and framework interpretations. The Code has been the primary policy instrument for successful self-regulation of commercial communications for over 70 years.

In undertaking the eighth revision of its Code of Advertising Practice, ICC made two important policy decisions: first, to consolidate the major part of the existing ICC marketing and advertising codes into a single, easily accessible document; secondly, to extend the scope of the Code's general provisions to include other forms of marketing communication as well as advertising. The new consolidated Code follows the established ICC tradition of promoting high ethical standards in marketing communication by means of relevant and well-implemented self-regulatory codes, designed to complement existing frameworks of national and international law. ICC expects business operators to respect and endorse the Code both in the spirit and to the letter.

Purpose of the Code

Marketing is under increasing criticism from many sides. Some even blame the promotion of particular products, such as fast food, confectionary, soft drinks, toys, mobile phones and video games for creating public health and other societal problems. Rapid technological developments in the media, highly publicized legal actions, and a growing concern about the protection of children and other vulnerable groups, has brought increasing pressure for additional regulation. In this environment it is imperative that this new edition of the Code, based on the best expertise and input of our members, becomes a daily reference source for everyone involved in the preparation, distribution and regulation of marketing communications.

The Code is intended to achieve the following objectives:

- demonstrate responsibility and good practice in advertising and marketing communication across the world;
- enhance overall public confidence in marketing communication;
- respect privacy and consumer preferences;

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- ensure special responsibility as regards marketing communication and children/young people;
- safeguard the freedom of expression of those engaged in marketing communication (as embodied in article 19 of the United Nations International Covenant of Civil and Political Rights);
- provide practical and flexible solutions;
- minimize the need for detailed governmental and/or inter-governmental legislation or regulations and costly administrative structures.

The unveiling of the revised code offers a prime opportunity to publicize the important work of the ICC and to inform governments and NGOs about how effective self-regulation can help achieve policy objectives. It is also an occasion to recommit industry to the principles of self-regulation.

Importance of Promoting the Code

While the principles of self-regulation have been endorsed in mature economies for decades, marketing and advertising have been the subject of debate within governments, civil society and nongovernmental organizations for years. Currently, criticism of marketing and advertising centers on advertising and promotion of foods, and the development of new marketing techniques in a fast-evolving media universe, with some groups offering various proposals to ban or restrict advertising in response. As an alternative to legislative or regulatory remedies, ICC has created and maintains a set of universal standards that can be accepted by different cultures and political systems, reflecting the dynamism of the international marketplace while recognizing the need for a flexible system of self-regulation for effective local adoption.

Many economies have adopted and have in place robust advertising self-regulatory systems. The ICC Code, due to its international scope, reflects a consensus of views about fundamental principles that should govern many significant marketing and advertising activities, and the Code forms the underpinnings of local self-regulatory codes in many of these areas. Yet the value and strength of advertising self-regulation is not always recognized by the myriad organizations debating issues that will directly affect the future of advertising in many areas of the globe.

The Benefits of Self-Regulation

Advertising and other forms of marketing communication are vital means of communicating between marketers and customers. They help to create efficient markets, both domestically and internationally, and bring significant benefits for both consumers and companies, as well as for society in general.

Responsible advertising and marketing communication, based on widely supported self-regulatory codes of conduct, are an expression of the business community's recognition of its social obligations. The fundamental value of self-regulation lies in its ability to create, enhance and preserve consumer trust and confidence in the business communities behind it, and thereby in the marketplace itself. Active self-regulation is also an instrument for the protection of individual companies' goodwill and reputation. Self-regulatory codes continue to be developed and refined in response to societal, technological and economic changes.



Independent systems of self-regulation have successfully applied the ICC Code for the past 70 years. The use of properly implemented advertising and marketing communication codes is acknowledged and accepted in all major markets as industry best practice and a recognized means of providing additional consumer protection. Self-regulation is a tried and tested system that has served responsible business well, for the benefit of consumers all over the world.

The application of self-regulation and for that matter sound business practice in advertising requires that communications be honest, decent and truthful. Such communications provide honest and truthful information about products to make consumers aware about the products available, and to enable consumers to choose among them according to their tastes, desires, and personal priorities. Freedom of such commercial speech in the sale of legal products is a fundamental principle of free markets. This freedom nourishes competition among companies and has led to demonstrable benefits to consumers. As companies compete, consumers are presented with a wider array of choices, more information on which to base those choices and better prices.

The benefits of the existing self-regulatory system include:

- the ability to swiftly update codes to address new issues. The ICC Commission on Marketing and Advertising keeps the codes under constant review, adjusting them when necessary to meet changing public sensitivities and the demands of new technologies. For example, in order to address the international focus on nutrition and health, ICC called on food and beverage companies to champion the ICC Framework on Responsible Food and Beverage Communications, which offers additional guidance on how existing general principles of truthful and fair advertising reflected in the ICC Consolidated Code apply to food and beverage communications. ICC's comprehensive revision of the Code reflects the dynamism of the international marketplace while recognizing the need for a flexible system of self-regulation for effective local adoption.
- a set of universal standards that can be accepted by different cultures and political systems. The self-regulatory codes and guidelines offer a basis for national codes applied by professional associations.
- a true global consensus with buy-in from business. ICC's unique consensus building process means that the self-regulatory codes reflect the views of companies from all sectors, of all sizes, and from developed, transition and developing economies.
- an effective and cost-efficient system. Self-regulation assures consumers of ethical and responsible advertising. It reduces costs that otherwise would be required for governments to legislate and administer detailed regulatory codes.



About ICC

ICC is the world business organization, the only representative body that speaks with authority on behalf of enterprises from all sectors in every part of the world. ICC promotes an open international trade and investment system and the market economy. Business leaders and experts drawn from the ICC membership establish the business stance on broad issues of trade and investment policy as well as on vital technical and sectoral subjects. ICC was founded in 1919 and today it groups thousands of member companies and associations from over 130 countries. Within a year of the creation of the United Nations, ICC was granted consultative status at the highest level with the UN and its specialized agencies.

The Code Revision Taskforce of the ICC Commission of Marketing and Advertising will regularly review the Code's provisions, to ensure that they continue to reflect the latest developments in technology, marketing practice and society.

ICC respectfully encourages all national governments to acknowledge, endorse and promote existing international advertising standards, which have roots in a solid historical tradition of responsible and ethical advertising practices.

The Code is available online at the ICC website www.iccwbo.org where further guidance is provided with regard to its use.