

European Parliament's environment and public health committee examination of Mr. Callanan's draft Report on the proposal for a regulation on CO2 emission performance standards for new light commercial vehicles (COM2009/593)

egta and its television and radio sales house members believe that empowering consumers (e.g. SMEs) with appropriate information on the CO2 emission performance of a light commercial vehicle they are likely to purchase is a commendable political objective which deserves a proper policy response.

egta members believe in the added value of advertising to society. Building brand awareness and value, advertising plays a key role in ensuring effective free competition and in facilitating innovation to the benefit of industry, employers and consumers alike. However, as advertising professionals, egta members wish to highlight that advertising is not the appropriate channel through which to provide consumers with detailed technical information regarding the emission performance of a vehicle. There are in fact more appropriate and efficient communication channels available to reach consumers with the specific information they need at the time of making their purchase decision.

For this reason, in the framework of the adoption of a regulation on CO2 emission performance standards for new light commercial vehicles, **egta is concerned about amendment 247 of Mr. Callanan's draft Report which calls for advertisements for light commercial vehicles, where technical, energy or price related information is disclosed, to provide end-users with the necessary information regarding energy performance of the vehicle;**

for the same reasons egta also opposes amendment 23.

In that regard, egta members wish to highlight the following considerations:

- ⇒ Findings illustrate that consumers, when searching for detailed information on their purchase, do not seek such information in advertising. This applies especially to television and radio advertising. For this reason, information requirements on CO2 emissions on passengers' cars only apply to promotional literature, but not to television and radio advertising. As stated in a recent study commissioned by the Environment Committee of the European Parliament on the implementation of the information requirements on CO2 emissions on passengers' cars, these requirements do not necessarily need to be extended to radio and television as the role of advertisements in television and radio in the purchasing process differs from that of print media or manufacturer websites¹. When specific information requirements apply to audiovisual

¹ Study on consumer information on fuel economy and CO2 emissions of new passenger cars/Implementation of the Directive 1999/94/EC by ENVI Committee of May 2010 can be found on www.europarl.europa.eu/studies

advertising, as it is the case only for financial services, studies demonstrate that viewers and listeners find them not only useless, but also annoying².

- ⇒ Each medium has its own specificities that need to be taken into account. The short duration, the linear nature of media and the need for highly creative content mean that television and radio advertising are not well suited to carry detailed technical information, such as the one on the emission performance, in a legible way. This is particularly true for radio, the only existing non-visual medium. The application of the above-mentioned requirements to radio would increase the duration of advertising spots and thus render these media less attractive to advertisers, with serious consequences on broadcasters' main source of refinancing for quality content.
- ⇒ Any requirement on environmental information applied to advertising would have a particularly significant economic impact on TV ads and an even stronger one on radio. At the time of the debate on the revision of Television Without Frontiers directive, the European Commission agreed that further restrictions on TV advertising were not to be favoured considering that such restrictions would have wide-ranging negative impacts on incomes of broadcast media, which are already strongly affected by the increasing competition coming from new media platforms (now also subject to the economic downturn).
- ⇒ The recently adopted Audiovisual Media Service directive already establishes a provision ensuring that advertising does not "encourage behaviour grossly prejudicial to the protection of the environment" (art.3e) and applies it to all audiovisual commercial communications. In addition, self-regulatory mechanisms at national level ensure that broadcasters and sales houses are already committed to preventing advertising from making unsubstantiated claims about environmental impacts (specific advertising codes of conducts on environmental claims are already in place in 11 European countries and are in the process of being developed in many others³).
- ⇒ For all these reasons, egta opposes the amendments 23 and 247 which could have a significant impact on the media industry in Europe. That being said, egta members are willing to discuss more positive means for advertising and broadcasters to contribute to the fight against global warming (broadcasters already dedicate programming time to help raise people's awareness on climate change and possible solutions).

About egta

egta is the trade association of television and radio advertising sales that commercialise the advertising space of both private and public TV / radio channels all over Europe.

- 81 TV members
- 31 Radio members
- 31 European countries including 21 EU Member States
- More than 70% of the European TV advertising market
- 50% of radio advertising market in countries represented by the egta members

² The Navigator for the UK Radio Advertising Bureau – Radio commercials and wealth warnings – February 2004

³ More information can be found in the EASA Blue Book edition 6th