



**Asia-Pacific
Economic Cooperation**

Advancing Free Trade
for Asia-Pacific **Prosperity**

Voluntary Standards and Regulatory Approaches in Advertising in APEC Economies

ISSUES PAPER No. 5



APEC Policy Support Unit
April 2014

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Produced for:

Asia-Pacific Economic Cooperation
Committee on Trade and Investment

[APEC#214-SE-01.4](#)



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The authors would like to thank Dr. Ramanathan Sankaran, Dr. Chandini Sankaran and staff of Macomm Management Services Sdn. Bhd., Malaysia for the provision of information on rules and regulations affecting advertising in some economies, information on SROs as well as the conduct of the survey of key informants. The views expressed in this paper are those of the authors and do not necessarily represent those of APEC Member Economies.

Executive Summary

The advertising industry is an integral part of the global economy. By creating awareness of specific products or services, advertising helps boost sales and encourage increased domestic consumption and export. As an industry in its own right, it contributes to the economy in terms of value added and employment. Among various service industries, advertising receives a high share of regulation which can be attributed to several factors. For example, economies maintain legitimate objectives of preventing false or deceptive information, or of protecting public morals, or of ensuring ethical business competition, to cite a few. The advertising industry has also, historically, relied on newspapers, televisions and other media outlets whose activities, including advertising, may be subject to some form of government or industry regulations.

Regulations have a legitimate role to play in a market economy but it is important to know and understand what these are and how they differ from one another and from 'best practice' norms. In a global economy where advertising is usually relied upon to open acceptance and create demand for one country's products in another's, the diversity of advertising regulations can potentially stymie such efforts. This paper contributes to the integration objectives among APEC member economies by providing a stocktake of advertising regulations and standards within APEC economies and comparing them with what is considered 'international best practice'. In addition, since in several economies, advertising regulations are largely carried out by the industry itself through self-regulatory organizations (SROs), the paper also assesses the capabilities of many of these organizations within the region.

The paper finds that APEC economies generally have public and/or private advertising regulations that address the general principles/provisions in the Consolidated ICC Code. However, differences exist in the number of principles/provisions that each economy addresses, the extent through which specific principle/provision is addressed by each economy and among the media analyzed, namely broadcast, print and online media.

Sectoral advertising regulations are more diverse across APEC economies. Regulations for a specific goods or service can vary from content restrictions to time (for broadcast media) and placement restrictions (for print and online media). But for certain product sectors such as tobacco, medical, and food products which tend to have more advertising regulations than others, it appears that APEC economies have a convergence of interests.

The paper also finds that the capability for advertising self-regulation among economies differs. Although sixteen economies practice self-regulation, five are either without self-regulation or are in the process of implementing some form of self-regulation. In economies where self-regulatory organizations (SROs) exist, there are differences on their level of adherence to what the paper took as international best practice benchmarks.

The initial dialogue on advertising through the APEC Regulatory Cooperation Advancement Mechanism on Trade-Related Standards and Technical Regulations (ARCAM) Dialogue had provided a good starting point for various stakeholders in the advertising industry to have honest and fruitful discussions on the regulatory challenges facing the industry. Moving on, similar activities that share best practices for both general and sectoral advertising regulations between economies to generate better understanding among member economies on the rationale behind the regulation, and how, in some respects, the regulations may act as technical barrier to trade, would be useful. Special attention may be put in these industry dialogues on regulating internet advertising considering its rising popularity as an advertising medium. APEC's position as a multilateral forum in the Asia-Pacific region may be a good platform to address the cross-border nature of internet advertising.

Given the important role of SROs often in drafting, promulgating, and enforcing advertising regulations, capacity-building workshops helping SROs in APEC economies enhance their capabilities would also be valuable. Based on the paper's analysis of SRO capabilities, particular emphasis on the following areas might give the highest marginal benefit, viz: 1) efficient compliance and monitoring; 2) effective consumer and industry awareness; and 3) efficient and resourced administration.

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1. INTRODUCTION

1. Structure of the advertising industry

An integral part of the global economy, the advertising industry is made up of different stakeholders that could be divided into the advertising tripartite comprising of advertisers; advertising and promotion agencies; and media organizations. More recently however, there are indications that the industry has been broadened to include external facilitators such as research firms and those involved in productions (AECOM, 2012).

Advertisers may be businesses, not for profit organizations and governments. Despite their diversity, their objective is generally to use advertising as a way to communicate with their target audience and hence stimulate awareness or demand for their goods and/or services. Some advertisers employ personnel whose roles are focused on advertising. Advertising and promotion agencies are organizations concerned with the creation, planning, preparation and placing of advertisements and promotions. The exact services provided by individual agencies differ and could range from just one type of service to full service across the entire value chain. Media organizations deliver the advertisements in different media such as television, radio, print and the internet. External facilitators provide specialized services that the advertising and promotion agencies usually do not have such as lighting technicians and songwriters involved in audio and TV advertisement production.

The industry has evolved over time from one dominated by full service advertising agencies into one made up of various specialized agencies, each offering a particular service in the value chain such as concept development, copywriting and artistic services. Lately however, there have been indications of a move back to full service agencies brought about by mergers and acquisitions¹, one being the potential merger between Omnicom Group and Publicis Groupe to form the Publicis Omnicom Group. If the merger proceeds, Publicis Omnicom Group will be the biggest advertising agency in the world (BBC, 2013). By industry player, an article by Rediff Business (2013) indicated that the top three agencies in the advertising industry by revenues as of July 2013 were Wire and Plastic Products (WPP), Omnicom and Publicis Groupe (Table 1).

Table 1. Top five players in the advertising industry by revenues (as of July 2013)

Rank	Company	Headquarters	Revenue/ US\$	No. of employees/ people
1	Wire and Plastic Products (WPP) plc	London, United Kingdom	15.6 billion	165,000
2	Omnicom Group Inc.	New York, USA	14.3 billion	70,600
3	Publicis Groupe	Paris, France	7.7 billion	60,000
4	Interpublic Group of Companies, Inc.	New York, USA	6.7 billion	7,494
5	Dentsu Inc.	Tokyo, Japan	3.1 billion	14,898

Source: Rediff Business (2013)²

¹ For a list of recent mergers and acquisitions as well as potential upcoming ones, please refer to: <http://www.nasdaq.com/article/mergers-acquisitions-a-survival-bet-for-ad-firms-analyst-blog-cm284358>

² Data for this section is obtained from an article in Rediff Business entitled: "The 10 biggest ad agencies post-Publicis, Omnicom merger." Although the article listed the top 10 agencies, only the top five are listed in the table. The names of these other five agencies, based on the ranking by the article, are Havas (Puteaux, France), Hakuhodo (Tokyo, Japan), Merkle (Lanham, USA), Global Experience Specialists (Las Vegas, USA) and Epsilon (Dallas, USA).

The evolution of the industry is also contributed by the exponential rise in the use of digital/online media such as the internet for advertising purpose, which Bughin and Spittaels (2012) pointed as more affordable and effective for certain product categories than the traditional media; it suggested that online websites could reach more people than a typical print or broadcast advertisement. This has led to the addition of agencies specializing in online media into the advertising industry. A report by Verbruggen (2011) even went to the extent of linking the growing importance of the internet to the changing power relations between the different media in the advertising industry.

Related to the increasing use of online media is the evolving practice of advertising itself, made possible by continued technological advancement as well as changing consumer behaviour; among them, it is now possible to match advertisements to the location of individual consumer through a technique known as ‘geo-targeting’. Advertisers are also leveraging on a consumer behaviour known as ‘second screening’ where a consumer usually uses a mobile device to enhance his/her experience in another device such as television to deliver contents and boost their revenues. GroupM (2012) gave an example of a company that list all available items on a website related to a show being screened, enabling consumers to purchase them.

The dynamism of the advertising industry means that the compensation structure of the industry has also changed with time. In the past, compensation for advertising agencies used to be dominated by a commission system; agencies received a percentage commission from the total amount paid to the media organization for a particular advertisement. The disintegration of full service agencies into specialized ones resulted in the move towards other modes of compensation. For instance, mark up or retainer fees result in a percentage charge being added to contractor fees. On the other hand, fee systems is based on an hourly rate while pay-for-results is based on success of the brand in terms of awareness and identification and could include sales results (AECOM, 2012).

2. APEC economies and the global advertising industry³

The report by AECOM (2012) mentioned that advertising activities are commonly measured using two approaches, namely 1) spending approach and 2) production value approach. As the name implies, spending approach looks at advertising expenditure (adspend) across various media outlets and is applied by organizations in the industry. Data relating to adspend are available in either Rate Card Pricing, which is the maximum price that an advertiser would pay or Gross Figure Pricing, which is based on the rate card pricing minus the discounts received. Gross Figure Pricing is more challenging to obtain because discounts differ substantially from one organization to another.

In contrast, the production value approach focuses on advertising organizations and involves looking at aggregates such as revenues, employment and number of players in the industry. As this approach does not take into consideration activities by internal marketing departments of organizations outside of the advertising industry, it is thought to represent the minimum estimate of the total production value of the industry.

ZenithOptimedia, in its quarterly Advertising Expenditure Forecasts which was released in December 2013, expected global adspend to grow by 3.6 percent by end of 2013. The biannual worldwide report

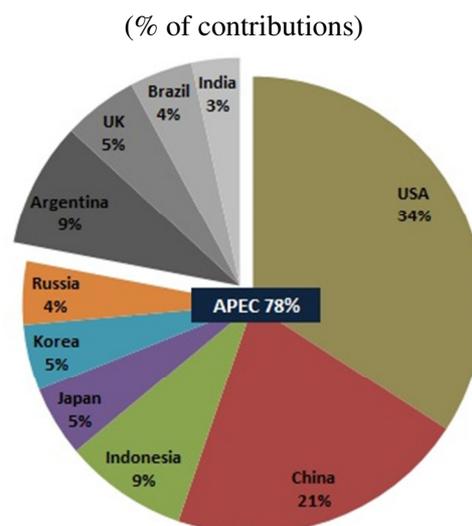
³ A paper by Narayadou (2006) mentioned that the field of advertising could broadly be divided into two categories, namely 1) media advertising (press, radio, TV, posters, cinema, internet, etc.) and 2) non-traditional media (direct marketing, promotions, event-related, directories, public relations, sponsorship, etc.). Limitations on the availability of freely accessible data for the latter mean that advertising in the context of this section would refer to media advertising only. This is valid as Narayadou (2006) suggested that the positive correlation between media advertising and productive efficiency (which is an indicator of the efficiency of economic growth) was stronger and more significant than the positive correlation between non-traditional media advertising and productive efficiency.

released by GroupM in December 2013 predicted a slightly smaller increase of 3.3 percent over 2012 while World Federation of Advertisers (WFA) was more optimistic in its annual report 2012, expecting an increase of global adspend by 4 percent in 2013. All three forecasted stronger growth of global adspend in 2014, giving values between 4.6 and 5.5 percent.

By regional bloc, ZenithOptimedia (2013) indicated that Fast-track Asia, which is mainly made up of APEC economies (7 of 9), would lead the expected annual growth in adspend at an average of 11.2 percent between 2013 and 2016⁴. Advanced Asia, which is fully made up of five APEC economies (Australia; Hong Kong, China; Korea; New Zealand; and Singapore) was expected to have an average annual growth of 5.3 percent over the same period. North America comprising of Canada and the USA was expected to have an average annual growth of 4.4 percent between 2013 and 2016 while Japan was forecasted to grow its adspend slower at an average annual rate of 2.1 percent between 2013 and 2016.

Six of the top 10 contributors to adspend growth between 2013 and 2016 are expected to be APEC economies, collectively contributing more than three-quarters of the total US\$68 billion that the 10 would add to the global adspend (Figure 1). Of these, the USA is the top contributor (34 percent), followed by China (21 percent); Indonesia (9 percent); Japan (5 percent); Korea (5 percent); and Russia (4 percent).

Figure 1. Top 10 contributors to advertising expenditure growth between 2013 and 2016

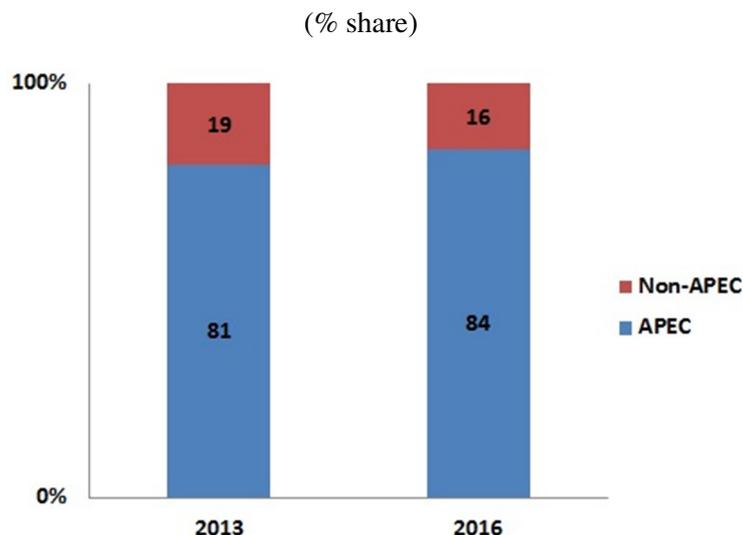


Source: Authors' own calculations based on available data in ZenithOptimedia (2013)

Looking at the top 10 advertising markets, APEC economies together is expected to increase its share from 81 percent in 2013 to 84 percent in 2016 (Figure 2)⁵. The USA is foreseen to continue leading the industry, making up 45 percent of the top ten advertising markets in 2016. Japan (13 percent) and China (13 percent) will come in a distant second and third. Australia; Indonesia; Korea; and Russia are each expected to take up between 3.1 to 3.4 percent share in 2016.

⁴ Fast-track Asia comprises of China; India; Indonesia; Malaysia; Pakistan; Philippines; Chinese Taipei; Thailand; and Viet Nam in the Advertising Expenditure Forecasts released by ZenithOptimedia in December 2013.

⁵ The APEC economies that were in the top 10 advertising markets in 2013 are Australia; Canada; China; Japan; Korea; and the USA. The APEC economies that are expected to be the top 10 advertising markets in 2016 are Australia; China; Indonesia; Japan; Korea; Russia; and the USA.

Figure 2. Share of top 10 advertising markets by APEC and non-APEC economies in 2013 and 2016

Source: Authors' own calculations based on available data in ZenithOptimedia (2013)

The internet is the main contributing medium to global growth in adspend between 2013 and 2016, contributing 61 percent of the total growth in expenditure. Television is expected to contribute slightly more than a third of the growth while outdoor, radio and cinema collectively are expected to contribute about 11 percent of the growth. On the other hand, the contributions by print media (i.e. magazines and newspapers) are expected to shrink by approximately six percent.

The increasing role played by the internet as an advertising medium is hard to deny. In the report by Nielsen (2013), internet was the only media that experienced double-digit increases (26.6 percent) in the first half of 2013 relative to comparable period in 2012. Of relevance to APEC is the fact that the increase was contributed by Asia Pacific and Latin American economies, where the regional increase was 43 and 38.5 percent respectively⁶. ZenithOptimedia (2013) forecasted that internet adspend would have grown by 15.8 percent by end of 2013 and would continue to grow at an annual average of 15 percent from 2014 to 2016. With an annual growth rate of 19 percent, display appeared to be the fastest growing sub-category of internet adspend and could have been driven partly by the swift rise of social media advertising, itself growing at 28 percent annually. Paid search, another sub-category, was expected to grow at annual rate of 14 percent until 2016 due to innovation in search engines and new enhancements to mobile advertising while online classified, heavily dependent on property and employment markets in the developed economies, was forecasted to grow slower at an annual rate of six percent over the same period⁷.

Things are rapidly changing even within internet advertising itself. In recognition of the rapid adoption of smartphones and tablets, ZenithOptimedia for the first time split internet adspend into mobile and desktop internet adspend. Adspend on mobile advertising, which is defined as all internet advertisements delivered to smartphones and tablets, is expected to grow at a staggering annual average of 50 percent between 2013 and 2016 while its desktop counterpart is only forecasted to grow

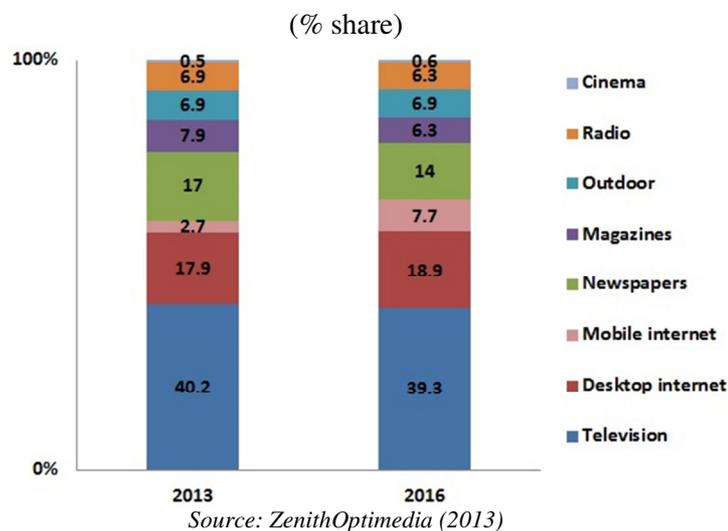
⁶ Asia Pacific region comprises of Australia; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; New Zealand; the Philippines; Singapore; Chinese Taipei; and Thailand while Latin American region comprises of Argentina; Brazil; Mexico; and Puerto Rico in the Nielsen's Global AdView Pulse Lite Quarter 2 2013 report

⁷ Display advertising is graphical advertising that usually appears next to content of webpages and can include text, logos, photographs or similar items; paid search advertising is keyword-based advertising that usually appear together with search engine queries; while online classified advertising is typically a brief, text-based advertising that is similar to its print counterparts,

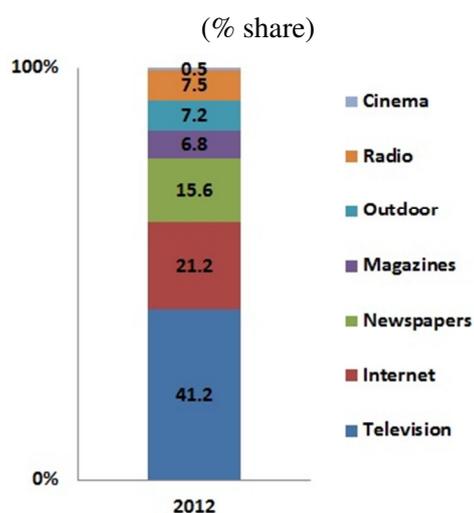
at a modest rate of seven percent per year over the same period. Indeed, mobile internet adspend made up close to 60 percent of the total US\$53.4 billion internet adspend that was forecasted between 2013 and 2016. To underscore the growing importance of mobile internet advertising, it is worthwhile to point out that even after taking the desktop component out of the expected increase in internet adspend from 2013 to 2016, increase in mobile internet adspend is still ahead of television adspend by approximately US\$2 billion.

In terms of share of global adspend by medium, television is still expected to continue to make up the largest proportion in 2016 (39.3 percent), as it was in 2013 (40.2 percent) (Figure 3). However, the interesting observation in this figure lies somewhere else, that is the expected rapid expansion of mobile internet adspend share from 2.7 percent in 2013 to 7.7 percent in 2016. Essentially, the share of mobile internet adspend is forecasted to best those of cinema, outdoor, magazines, and radio within a short span of three years. Despite a not so stellar performance relative to mobile internet, the share of desktop internet is expected to reach 18.9 percent share in 2016, up from 17.9 percent in 2013. On the other hand, newspapers and magazines would make up 20.3 percent of the share of global adspend in 2016, a drop from 24.9 percent in 2013 and in line with expenditure reduction in the print media.

Figure 3. Share of global advertising expenditure by medium in 2013 and 2016

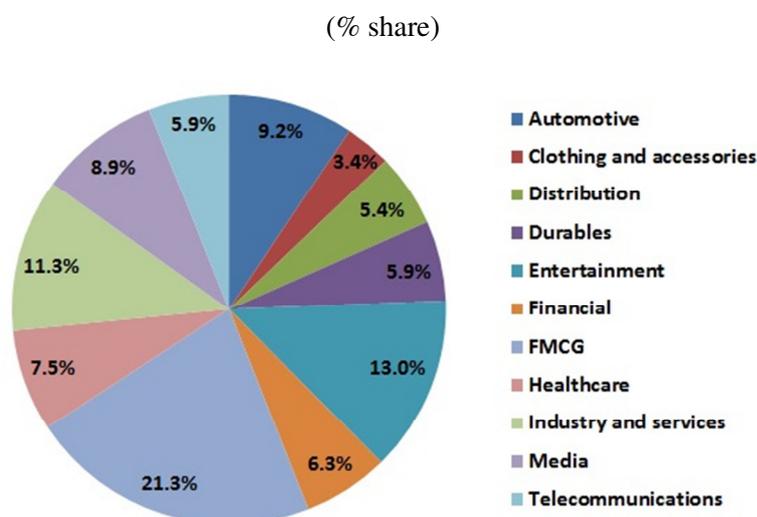


Adspend by medium for APEC economies is fairly similar to that at global level (Figure 4). Based on most recent information available at the time of writing, television took up the largest share of adspend in 2012 (41.2 percent). Internet and print made up 21.2 and 22.4 percent of APEC adspend share respectively. The remaining 15 percent was made up of adspend in outdoor, radio and cinema. Assuming that global adspend level is indicative of adspend by APEC economies, it is highly likely that the top three media for APEC economies in 2016 would be in the order of television, internet and newspapers.

Figure 4. Share of APEC advertising expenditure by medium in 2012

Source: Data obtained from ZenithOptimedia and WARC

By sector, Fast Moving Consumer Goods (FMCG) took the biggest share (21.3 percent) of advertising spend for the first half of 2013 according to the Global AdView Pulse Lite Quarter 2 2013 report released by Nielsen (2013) which includes data from 15 APEC economies (Figure 5)⁸. This is followed by entertainment (13.0 percent), industry and services (11.3 percent) and automotive (9.2 percent).

Figure 5. Share of global adspend by industry sector in 1H of 2013⁹

Source: Nielsen (2013)

⁸ The 15 APEC economies whose data were included in Nielsen's Global AdView Pulse Lite Quarter 2 2013 report are Australia; Canada; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Philippines; Singapore; Chinese Taipei; Thailand; and the USA.

⁹ Industry and Services refer to business services, property, institutions, power and water. FMCG refers to cosmetics and toiletries, drinks, food, housekeeping products and tobacco. Distribution refers to distribution channels including mail order, multiple product retailers, online shopping and generic online services, corporate/image and sponsorship. Durables refer to domestic appliances, furnishings and decoration and information technology. Entertainment refers to entertainment, leisure products, transport and tourism. Media refers to media and publishing. The rest of the industry is as indicated.

3. Advertising and economic growth

Whether advertising affects economic growth or the other way around is not straightforward. On the one hand, change in GDP is postulated to cause change in advertising expenditure. A meta-analysis of articles published in leading economic and marketing journals in the last three decades carried out by Bughin and Spittaels (2012) found that most of these studies were carried out to prove this hypothesis. On the other hand, advertising expenditure is postulated to have an effect on the economy as well, as the same article aimed to prove.

The effect of advertising expenditure on economic growth is also contentious. Economists who are against advertising would argue that advertising has a negative impact on economic growth because the conditions for advertising to have a positive influence on growth rarely come together. They contend that advertising tends to: 1) cause an increase in costs and hence consumer prices; 2) promote dominant companies; 3) result in unnecessary investments as opposed to the productive ones; and 4) support the spread of falsely differentiated products. In contrast, economists who are for advertising would argue that advertising has a positive impact on economic growth because it is able to: 1) drive competition; 2) boost consumption; 3) stimulate exports; 4) promote the spread of available information; and 5) bolster innovation. In addition, advertising is an economic sector in its own right and may have spillover effects on other sectors if additional revenues earned through advertising are used in the right way such as increasing employment.

Pertaining to the positive impact of advertising on economic growth, Bughin and Spittaels (2012) examined the effect of advertising on economic growth of the G20 economies over the period 2002-2010 using statistical-variance models. It found that advertising contributed on average about 15 percent of growth in GDP and went to as high as 20 percent in some years. It further noted that advertising contributed significantly more to economic growth than its share of spending. Specifically on digital advertising, the report shared that adspend on it could provide greater benefits than adspend on offline media such as print; although digital media only made up nine percent of adspend on average in G20 economies between 2002 and 2010, it contributed 29 percent of the advertising's effect on economic growth. At firm-level, the report indicated that adspend on digital media contributed to 16 percent of an average Belgian firm's profitability and 30 percent of the firm's gains in market share.

A study by Narayadou (2006), which was based primarily on the French and USA economies but also included data from other European countries and Japan, indicated that sectors in which adspend were highest were also those in which consumption was growing the most in terms of volume. He also found that advertising complemented innovation and R&D activities; the sectors in which expenditure was above average in both advertising and innovation and R&D were also those in which the growth of added value was highest. On the role of advertising on competition, he noted that those sectors in which ratio of adspend to GDP was highest were also those in which the market shares of companies were least rigid and in which competition was liveliest. Last but not least, he shared that as a sector, the growth of advertising in terms of value added was twice as rapid as that for the economy as a whole and its contribution to employment was four times more than the average for the whole economy.

As for the role of advertising in boosting exports, which is one of the key determinants in promoting economic growth in most APEC economies, a study of Chinese exporters by Zou et al (2003) found that there was a positive link between the level of brand recognition and financial performance of the brand in export markets. Earlier study of USA companies by Cavusgil and Zou (1994) found that firms could achieve better performance in overseas markets by implementing deliberate marketing strategy.

While not many econometric modelling has been carried out to study the impact of advertising on GDP, those that are publicly available indicate the positive contribution of advertising. An

econometric model used by Deloitte (2013) to estimate the impact of advertising on GDP across 18 economies (10 of which are APEC economies) over a 15-year period from 1998 to 2012 showed that a one percent increase in advertising expenditure led to a 0.062 percent higher GDP per capita in the same year¹⁰. Specifically on the Irish economy, which is the main objective of this study, it was found that an average of €1 spent on advertising was estimated to generate €5.7 in the Irish economy and that close to €1 billion of advertising expenditure in 2012 supported more than 30,000 Irish jobs directly and indirectly¹¹.

In another study conducted by Deloitte (2012), an econometric model using data from 17 economies (10 of which are APEC economies) covering 14 years (1998 to 2011) found that a one percent increase in advertising expenditure generated 0.07 percent higher GDP per capita in the same year and 0.6 percent increase within 10 years¹². In the context of the UK economy, the study noted that £16 billion spent on advertising in 2011 contributed £100 billion (7 percent) to the GDP that year. It further noted that the advertising expenditure supported over 550,000 UK jobs in 2011.

¹⁰ The 10 APEC economies included in the analysis by Deloitte (2013) are Australia; Canada; Chile; China; Japan; Peru; Russia; Singapore; the USA; and Viet Nam.

¹¹ Advertising expenditure used in Deloitte (2013) report included advertising in newspapers, magazines, television, cinema, radio, out-of-home, direct mail, online advertising and sponsorship.

¹² The 10 APEC economies included in the analysis by Deloitte (2012) are Australia; Canada; Chile; China; Japan; Peru; Russia; Singapore; the USA; and Viet Nam.

2. REGULATIONS IN ADVERTISING INDUSTRY

As with many industries, advertising industry is subjected to regulations although the reasons differ from economy to economy. One reason expounded by groups that are for regulations is that for the industry to have positive effect on economic growth, advertisements should be legal, decent, honest and truthful. It is argued that if bad advertising (i.e dishonest, misleading, offensive, etc.) is left unchecked, it would affect consumers' confidence, give little or no sustained return on advertising expenditure, and hence undermine the advertising industry and potential benefits that the industry may have on the economy as a whole. Therefore, it is in the interest of both the industry and consumers that the advertising industry is regulated (EASA, 2009).

Another reason for regulating the advertising industry is to pursue national policy objectives and prevent the erosion of cultural, legal and commercial traditions of the particular economy, specifically in sectors that are sensitive to public policy concerns. Viewed from this perspective, regulations came about through a complex interaction of different factors, including but not restricted to legal, political, economic, cultural and religious ones and that no single factor could explain differences in regulations across economies (Taylor and Raymond, 2000).

However, it is important to note that while the above reasons serve a legitimate purpose for regulating the industry, they may unintentionally or intentionally act as barriers to entry into the industry, or 'disguised protectionism' in a publication by the World Trade Organization (WTO, 2011)¹³. Differences in regulations could potentially increase the cost of doing business, create unequal operating environments for businesses in different economies and generate confusion as well as distrust (Jolly, 2013). There are also concerns that regulations may limit the available advertising space, raise prices and reduce adspend. For example, the maximum number of minutes of advertising authorized per hour across all channels has been found to be positively correlated to ratio of media adspend to GDP in 13 economies, including Australia, Japan, and the USA (Narayadou, 2006).

Depending on reasons for advertising regulations, they can be sector and/or media-specific¹⁴. Sectors that are usually subjected to regulations include alcohol, cigarettes/tobacco, medical products, gambling, food and financial services. Regulations that apply to one medium such as television may differ from another medium such as internet. Furthermore, advertising regulations can be enacted to protect the interests of specific groups in the society such as children and women.

Type of regulations or restrictions varies and could be content, time and/or placement in nature. Content restrictions generally require advertisers to provide certain information in the advertisements such as warnings against excessive usage but can also include those that affect the production of advertisements themselves. For example, some economies prohibit products from being portrayed in certain perspectives while some require that actors/actresses be above or at least look above certain age.

Time restrictions are more applicable to broadcast media and essentially constrain certain advertisements to specific time slots which vary depending on whether it is a weekday, weekend or holiday. Indeed, the advertisements of some products or services are outright prohibited in broadcast media in some economies. These restrictions are usually put in place to reduce the exposure of children and young people to contents that are deemed undesirable.

¹³ Discussions on whether a particular regulation is adopted for valid reasons or as disguised protectionism is not the highlight of this paper. Therefore, in the context of this paper, there will be no differentiation on whether a particular regulation is enacted for valid reasons or as disguised protectionism.

¹⁴ Regulations can also be technique-specific in that they are used to address different marketing techniques such as sales promotion, direct marketing and sponsorship. However, since the focus of this paper is on media advertising as defined in Narayadou (2006), these regulations are not discussed here.

Placement restrictions, on the contrary, are more relevant to print and online media. They constrain the placement of certain advertisements only to certain publications or certain pages in a publication and, in so doing, reduce exposure of segments of society to contents deemed unsuitable for them. For example, some economies prohibit placement of advertisements on magazine covers while some require websites with certain advertisements to put in place age verification mechanisms.

Economies usually implement a range of regulations or restrictions. As an illustration of the extent that advertising regulations can be, Australia has code which restricts the amount of advertising that television may air during the day. There are also placement restrictions on goods and services from specific sectors such as alcohol and cigarettes/tobacco. In addition, the volume of advertisements should not be louder than adjacent programming and viewers should be able to distinguish advertisements from program materials. Australia also has local content requirements; with some exceptions, broadcasters should ensure that Australian-produced advertisements made up at least 80 percent of the total advertising time screened in a year between the hours of 6am and midnight (Anderson, 2005).

Other APEC economies regulate their advertising industry to varying extent, as indicated by the 2012 and 2013 National Trade Estimate Report on Foreign Trade Barriers (NTER) released by the Office of the US Trade Representative (USTR) (Table 2). For instance, Japan has restrictions on advertising claims for cosmetics and quasi-drugs while Viet Nam restricts advertising of distilled spirits in broadcast, print and internet. In fact, some go beyond the matter of where, when and how advertisements should be shown to affect the structure of the advertising firm. As an example, the Philippines limits foreign ownership of advertising agencies to 30 percent through its Constitution and requires all executive and managing officers to be Philippine citizens.

1. Public and private regulations

A deeper look at the issues of advertising regulations would lead to the observation that economies regulate their advertising industry using regulations that are agreed and adopted by public and/or private sectors. Public sectors include legislature, government, regulatory agencies and the judiciary while private sectors include trade associations, groups of individual companies, consumer associations and non-governmental organizations (NGOs). While a 2003 report by the European Advertising Standards Alliance (EASA) on advertising self-regulation mentioned that advertising in some member states of the European Union (EU) is controlled by the public sectors (i.e through legislation) to such an extent that the scope for private sectors (i.e self-regulation) is very limited, it should be mentioned that the two are inter-related and could actually complement each other. As an illustration of their relationships, Verbruggen (2011) shared that the threat of statutory regulation is one of the main factors for the establishment of a self-regulation system. He also noted the potential role of government in strengthening the legitimacy of self-regulation either through delegation of regulatory powers to the system or through recognition of the system. This includes co-regulation where industry stakeholders and government jointly administer the regulatory process. Under such arrangement, government could provide oversight to the self-regulation system, enforce sanctions for violations of standards and/or issue recommendations, principles as well as codes of conduct (Castro, 2011).

Legislation is useful for laying down broad principles of advertising in a specific economy and can be used to provide a last resort mechanism in situations when all else has failed because it provides authority, credibility and legitimacy. It has universal application in that it applies to the entire industry as defined in the legislation. However, its broad nature makes it challenging to be used to solve consumers' concerns about particular contents of individual advertisements. While the process of introducing and/or amending legislations varies between economies, it is slower relative to self-regulation. In addition, the language used in legislations is difficult for the public to understand and legal course of actions can be more expensive. Specifically on internet regulations, the cross-boundary

Table 2. Examples of advertising regulations/restrictions in selected APEC economies

Economy	Sample of restrictions
Australia	<ul style="list-style-type: none"> • A broadcaster must ensure that Australian-produced advertisements occupy at least 80 percent of the total advertising time screened in a year between the hours of 6am and midnight, other than the time occupied by exempt advertisements, which include advertisements for imported cinema films, videos, recordings and live appearances by overseas entertainers, and community service announcements.
Canada	<ul style="list-style-type: none"> • Seeds Act prohibits the sale, advertising for sale in Canada, or importation into Canada of seed varieties that are not registered in the prescribed manner.
China	<ul style="list-style-type: none"> • Several Chinese ministries have jurisdiction over electronic commerce and impose a range of restrictions on internet use such as registration requirements for web pages and content controls.
Japan	<ul style="list-style-type: none"> • Provisions and application of the Privacy Act as well as development of privacy guidelines for online advertising. • Restrictions on advertising claims for cosmetics and quasi-drugs.
Korea	<ul style="list-style-type: none"> • The guidelines of Korean Broadcasting Commission for implementation of the Broadcasting Act contain restrictions on voiceovers (dubbing) and local advertising for foreign retransmission channels.
Malaysia	<ul style="list-style-type: none"> • Requirement that no person shall import, prepare or advertise for sale, or sell any food or food ingredients obtained through modern biotechnology without the prior written approval of the Director of the Ministry of Health.
Mexico	<ul style="list-style-type: none"> • Pay television, which is the primary outlet for foreign programmers, is subject to significantly more stringent advertising restrictions than free-to-air broadcast television, which is supplied by domestic operators.
Philippines	<ul style="list-style-type: none"> • The Philippine Constitution limits foreign ownership of advertising agencies to 30 percent. All executive and managing officers must be Philippine citizens.
Viet Nam	<ul style="list-style-type: none"> • Restrictions on advertising of distilled spirits in print, electronic, and broadcast media. • Foreign content providers are to secure the services of a local editing company for post-production work (including translation, content review, and payment of a placement fee) in order for advertisements to be approved for placement in a Vietnamese broadcast.

Source: US NTER (2012 and 2013)

nature of the internet has raised questions on the ability of national regimes to regulate it and if so, the extent of such regulations (EASA, 2003; National Consumer Council, 2000).

Self-regulation is a system through which the advertising industry polices itself to safeguard its own reputation. The industry implements this system through Self-Regulatory Organizations (SROs), which usually comprise of three bodies: a standard-setting body, an adjudication body and a secretariat. The standard-setting body represents the various stakeholders of the industry and is responsible for adopting the codes of conduct. The adjudication body is responsible for interpreting the codes, mostly through handling of complaints about advertisements that have been publicized and deciding whether they comply with the codes. The secretariat employs personnel that carry out the daily operations of the SRO.

Besides handling complaints, most of the SROs also provide services such as copy advice and pre-clearance to check for compliance with advertising regulations before advertisers publicise their advertisements. Like the public sectors, some also use prohibitions, bans and time limits to regulate the advertising industry but employ different instruments in ensuring compliance such as membership obligations or binding contractual agreements.

An advantage of self-regulation is that it is specifically designed to deal with consumers and businesses' concerns in a faster, cheaper and simpler way than legislation. It is more flexible than legislation in that self-regulation guidelines could respond more rapidly to evolving environment. The flexibility of self-regulation also allows SROs to be more open to try new standards since they could retract them easily if they do not work. In addition, self-regulation benefits government agencies by reducing their regulatory overload and allowing them to focus their efforts on oversight activities. In contrast to its legislation counterpart, whose imposition on multi-national corporations (MNCs) might raise questions of sovereignty, it is possible for self-regulation to avoid jurisdictional conflicts and legal limitations if related SROs are members of a wider cross-border network. Most importantly, the advertising stakeholders have higher tendency to abide by standards that have been endorsed and supported by their own industry, as opposed to the top-down nature of legislation (Castro, 2011; Verbruggen, 2011).

However, self-regulation is not without its disadvantages. It may have potential negative impact on competition if it leads to businesses engaging in non-competitive practices such as price fixing (UK Office of Fair Trading, 2009). Verbruggen (2011), in a comprehensive study of European SROs, which is considered among the most developed in the world, pointed to several other disadvantages of self-regulation. From the perspective of legitimacy, he indicated that non-industry members such as consumers are typically excluded from the code-drafting process although they are affected by the advertisements that are guided by this code. Code-drafting processes and enforcement practices themselves remain largely secretive. On a related note, solid analytical impact assessment to support the adoption of regulations are lacking and determined mainly on the basis of private interests and intuition.

Box 1. How a Self-Regulatory Organization (SRO) typically handles complaints

A complaint usually starts with a complainant seeing an advertisement that he/she considers as misleading or offensive. Full details of the advertisement including time and location are reported to the SRO.

When a complaint is received, SRO will first check if it is pertaining to matters covered by the code. Occasionally it is found that the complainant has misunderstood the advertisement or complained about matters that are beyond the scope of the code. Often the complaint is unclear and the SRO has to obtain clarification from the complainant.

Assuming SRO agrees that the complaint requires investigation and possibly consideration of the adjudication body, it will contact the advertiser and ask for response. This step may also come to an early conclusion if the advertiser agrees to change the advertisement immediately; numerous complaints arise from unintentional mistake or omissions on the part of the advertiser.

If the advertiser disagrees or does not respond to the SRO, the case will be referred to the adjudication body. Advertiser is usually asked to argue against claims made. In making its decision, the body takes into consideration the code and how a layman would understand the advertisement. Decisions may take between six to eight weeks.

If the adjudication body upholds the complaint, the advertiser would be asked to withdraw or change the advertisement depending on severity of the offence. Decisions of the adjudication body are published regularly to increase transparency and consumer confidence.

Most SROs have an appeals system if either the complainant or the advertiser disagrees with the decision of the adjudication body. Advertisers usually follow SRO's decision even though they do not agree to it since self-regulation has wide support from the industry.

SROs have various ways of enforcing their decisions, including referring the cases to public authorities that have power to prosecute. Other remedies and sanctions are membership expulsion, corrective statements, fines and withdrawal of trading privileges.

Source: EASA(2003), Verbruggen (2011)

The low levels of procedural transparency also affect the levels of accountability because members can hold the decision-makers privately accountable for their actions by following internal governance mechanisms such as voting procedures or budgetary approval. In addition, SROs appear to be more reliant on complaints and hence reactive in their responses as their monitoring policies are underdeveloped. Specifically on enforcement, it was observed that SROs do not have access to legally binding sanctions that commonly accompany legislation. Adjudication bodies in most SROs also seldom have a majority of independent, non-industry stakeholders to increase the credibility of sanctions. Last but not least, it was noted that digital/online media owners have yet to fully commit themselves to self-regulation despite their rising popularity as an advertising medium since the interest among them is still on increasing their market shares vis-à-vis the traditional media.

2. International standards for advertising regulations

The most authoritative international standards on advertising that is used wholly, in part or as a guide to formulate the national regulations originated from the International Code of Advertising Practice, first published by the International Chamber of Commerce (ICC) in 1937. The latest version is the 2011 revision of the Consolidated ICC Code of Advertising and Marketing Communications Practice, which comprises of five chapters and applies to all advertising and other marketing communications for the promotion of goods and services, including corporate and institutional promotion. ICC has come up with other codes, principles and frameworks such as Framework for Responsible Food and Beverage Communications to provide more guidance and complement the Consolidated Code. Specifically on digital media, ICC adopted a new set of rules on advertising via electronic media and telephone, which could be found in Part II Chapter D of the Consolidated ICC Code.

The flexibility of the ICC codes made it possible for national regulations to accommodate and reflect the cultural, legal and commercial traditions of the specific economy. However, it also leads to strong variations among the different national regulations and corresponding SROs for economies that practice self-regulation. One negative impact of variation in regulations, as was discussed in the previous section, comes from the economic perspective in that it increases the compliance costs of advertisers who hope to promote goods and services across different markets.

The European Advertising Standards Alliance (EASA), a non-profit organization based in Brussels that brings together advertising SROs from Europe and other economies, recognized this issue and has produced Best Practice Recommendations (BPRs) to overcome them. Among them is the 2004 Best Practice Self-Regulatory Model that sets operational standards for SROs pertaining to monitoring activities, code drafting, complaints handling, copy advice, adjudication of disputes, funding as well as communication and awareness.

It is noteworthy to mention that EASA BPRs are not intended to undermine the ICC codes because unlike the latter whose purpose is to define what is allowed and not allowed in advertising, EASA's purpose is to optimize the regulatory activities of SROs as well as enhance their impact and effectiveness. Indeed, EASA documents consistently refer to the ICC codes as the global standard for advertising self-regulation. Therefore, the two complement instead of substitute each other.

Since EASA has extended its role in the development of self-regulation in Europe to other parts of the world through the establishment of International Council on Advertising Self-Regulation and self-regulation in the EU and Europe in general is most developed if compared to other regions in the world (Verbuggen 2011), we take, for the purpose of this paper, the combination of ICC and EASA BPR as 'frontier' or benchmark by which we want to assess advertising regulations and standards in APEC.

A case in point within APEC would be Australia. It has an ICC National Committee and its SRO, the Advertising Standards Bureau is a member of EASA. The Australian Creative Economy Report Card 2013 released by the ARC Centre of Excellence for Creative Industries and Innovation noted that Australia had an average annual growth rate of employment in its creative sector that was 40 percent higher than the growth rate for the economy as a whole from 2006-2011. The creative sector, which includes advertising and marketing, design and visual arts and digital content among others, gained approximately 70,000 jobs over the period.

3. CURRENT STATE OF ADVERTISING REGULATIONS IN APEC ECONOMIES

In order to better understand the current state of advertising regulations in APEC economies, the paper undertakes a stocktake out of regulations in APEC economies. We compiled public and private regulations affecting advertising across broadcast, print and online media in respective APEC economy from various sources (books, reports, articles and websites of both public and private agencies as well as those of third-parties). Please refer to Appendix A for a list of these sources. Each regulation that is found for a specific APEC economy is categorized across two dimensions: 1) whether it is a public or private regulation and 2) whether it is relevant to broadcast, print or online media. Public regulations include but are not limited to laws, legislations and guidelines released by government agencies. Private regulations include but are not limited to codes and regulations released by the advertising or specific goods/services industry. For the purpose of this paper, broadcast media covers television and radio; print media covers newspapers and magazines; while online media covers both desktop and mobile aspects of the internet. If a regulation is relevant across more than one medium, it is duplicated across the different categories.

Table 3 summarizes for each APEC economy whether public and private regulations in broadcast, print and online media are available. Lists containing the name of relevant regulations can be found in Appendices B1-B6 of this paper. It is acknowledged that most economies have numerous regulations that may in one way or another affect the practice of advertising. Indeed, for many economies, regulations affecting advertising are embedded in other regulations such as those on consumer protection, competition and copyright. Finding all the regulations is an endeavor that requires extensive resources and is not the intention of this paper. Hence the lists in the Appendices B1-B6 are not in any way exhaustive. Rather, the main objective is to show that APEC economies have regulations addressing various aspects of advertising practice. Whenever possible, care has been taken to verify that listed regulations are in force at the time of writing.

Table 3. Availability of public and private regulations affecting advertising practice in each APEC economy

Economy	Public			Private		
	Broadcast	Print	Online	Broadcast	Print	Online
Australia	✓	✓	✓	✓	✓	✓
Brunei Darussalam	✓	✓	✓	✗	✗	✗
Canada	✓	✓	✓	✓	✓	✓
Chile	✓	✓	✓	✓	✓	✓
China	✓	✓	✓	✗	✗	✗
Hong Kong, China	✓	✓	✓	✓	✓	✓
Indonesia	✓	✓	✓	✓	✓	✓
Japan	✓	✓	✓	✓	✓	✓
Korea	✓	✓	✓	✓	✓	✓
Malaysia	✓	✓	✓	✓	✓	✓
Mexico	✓	✓	✓	✓	✓	✓
New Zealand	✓	✓	✓	✓	✓	✓
Papua New Guinea	✓	✓	✓	✗	✗	✗
Peru	✓	✓	✓	✓	✓	✓
Philippines	✓	✓	✓	✓	✓	✓
Russia	✓	✓	✓	✗	✗	✗
Singapore	✓	✓	✓	✓	✓	✓

Chinese Taipei	✓	✓	✓	✓	✓	✓
Thailand	✓	✓	✓	✓	✓	✓
USA	✓	✓	✓	✓	✓	✓
Viet Nam	✓	✓	✓	✗	✗	✗
No. of economies with regulations found	21	21	21	16	16	16

Source: Authors' compilation from materials listed in Appendices B1-B6.

As shown in the table, APEC economies have public regulations affecting advertising across all three media analysed, indicating that efforts to regulate the industry is prevalent among them. The availability of existing regulations also provides a good starting point from which amendments could be introduced if needed and may provide an easier route to strengthening regulations than introducing new regulations from scratch. This is especially so for online media due to various reasons that have been discussed earlier.

Private regulations are available only for 16 economies as the practice of regulating advertising in five economies does not involve the private sector and has always been the sole purview of their respective governments. For example, Chapter 180 of Laws of Brunei on Broadcasting indicates that the Minister, with the approval of His Majesty the Sultan and Yang Di-Pertuan, may issue and review codes of practice relating to advertisements broadcast by licensees. Indeed, Subsidiary Legislation - Broadcasting (Code of Practice) Notification 2000 is a physical manifestation of this power. Chapter 1 Article 6 of China's Advertisement Law 1995 mention that the administrative departments for industry and commerce of the people's governments at or above the county level is the supervisory and administrative body for advertisements.

However, there are indications that some of these economies are in various stages of implementing certain level of self-regulatory mechanism. EASA website categorizes China and Russia as economies with an SRO in progress¹⁵. Chapter 4 of Russia's Federal Law on Advertising 2006 addresses the issue of self-regulation, specifically its definition and rights. Chapter 1 Article 9 of Viet Nam's Law on Advertisement 2012 pointed to the presence of Advertising Appraisal Council under the Ministry of Culture, Sports and Tourism; it is involved in reviewing the conformity of an advertisement to legal regulations and its members consists of representatives from the Ministry, advertisement association and experts in related fields. Chapter 1 Article 10 of the same law mentioned about the establishment of advertisement professional association whose responsibilities include developing code of conduct for advertising practices.

1. General advertising regulations

The 2011 revision of the Consolidated ICC Code of Advertising and Marketing Communications Practice is a natural choice for benchmarking. Besides its recognition as the most authoritative international standards, it contains principles/provisions that are clearly listed and explained, removing any doubts as to how each is interpreted in practice. While the intention has been to compare the public and private regulations of APEC economies against each principle/provision, analysis found that several principles/provisions are fairly similar in their objectives. Chapter I Article 8 on substantiation and Article 13 on testimonials essentially have the same objective of ensuring genuine and verifiable information. Chapter I Article 9 on identification and Article 10 on identity have the same intention of requiring advertisers to clearly state their identity and purpose. For clarity, principles/provisions with the same objective have been combined together in this paper. On the other hand, Chapter I Article 4 on social responsibility and Article 23 on responsibility appear to address several aspects that could be more informative if divided into three areas, namely on the issue of 1) fear, superstition, violence and illegality; 2) sensitivities (religious, racial, etc.); and 3) moral and

¹⁵ <http://www.easa-alliance.org/About-EASA/EASA-Members/Non-European-Members/page.aspx/147>

social norms. The principle/provision on national policy while not listed among the articles, came about due to the Code’s deference to local rules and that of relevant jurisdictions.

Some principles/provisions are more specific towards certain advertising practice which hampers cross-comparisons. Article 19 on data protection and privacy appears to be concerned with the issue of collection and using of personal data and therefore more relevant to direct marketing and online advertising but less so for broadcast and print advertising. The same can be said for Article 21 on unsolicited products and undisclosed costs. Table 4 lists the principles/provisions used for the stocktaking and provides explanation on what each means.

Table 4. Principles/provisions used in the stocktaking exercise

No.	Principle/Provision	Explanation
1	Decency	Advertising should not contain statements, audio or visual materials which offend decency standards currently prevailing in the economy concerned.
2	Honesty	Advertising should not be framed so as to abuse consumers’ trust or exploit their lack of experience or knowledge.
3	Fear, superstition, violence, illegality	Advertising should not play on fear and superstition as well as overlook violent or unlawful behavior without justifiable reason.
4	Truthfulness	Advertising should be truthful and not misleading either directly or by implication, omission, ambiguity or exaggeration.
5	Claims, testimonials, endorsements	Claims, testimonials and endorsements within advertisements should be genuine, verifiable and relevant.
6	Comparisons	Comparisons within advertisements should not be designed to mislead and comply with the principles of fair competition.
7	Denigration	Advertisements should not denigrate any person or group of persons, firm, organization, industrial or commercial activity, profession or product, or seek to bring it or them into public contempt or ridicule.
8	Exploitation of name or goodwill	Advertisements should not take undue advantage or make unjustifiable use of name, initials, logo and/or trademarks of another firm, company or institution.
9	National policy	Advertisements should abide by rules and regulations of the various relevant jurisdictions, in particular those affecting the unity of the economy.
10	Moral and social norms	Advertisements should respect human dignity, be responsible as well as observe prevailing norms.
11	Imitation, copyright	Advertisements should not copy those of another advertiser in any way likely to mislead or confuse consumers through layout, text, audio, video, etc.
12	Safety	Advertisements should not depict or describe any potentially dangerous practices or any disregard for them.
13	Guarantee, warranty	Advertisements should not imply that a ‘guarantee’, ‘warranty’ or other expression offers rights to consumers beyond those provided by law when it does not. In addition, terms should be clear and conspicuous.
14	Sensitivities (religious, racial, etc.)	Advertisements should take into account sensitivities within the economy either in terms of race, religion, gender, etc.
15	Identification of advertisements	Advertisements should be clearly distinguishable and readily recognizable.
16	Children or young people	Advertisements should take special care when directed to or featuring children or young people.

Source: Consolidated ICC Code of Advertising and Marketing Communication Practice (2011) with authors’ adjustments.

Each economy's regulation is read and vetted for any information relating to the principle/provision of interest. Share of APEC economies whose regulations cover specific principle/provision is calculated and summarized in Table 5 where several observations could be distilled.

Firstly, comparing public and private regulations for a specific principle/provision, it could be seen that the share of APEC economies whose public regulations address the specific principle/provision is not always higher than that of private regulations. The differences may reflect the level of importance that each sector puts on the specific principle/provision relative to the other. The private sector, for example, would put high importance on honesty as a principle because it essentially contributes to its own viability as an industry (EASA, 2009). On the other hand, the public sector would put high importance on the national policy provision because advertisements could potentially harm the unity of the economy socially, culturally and/or politically.

Still related to the public vis-à-vis private regulations is the observation that for most principles/provisions, share of APEC economies whose private regulations addresses each appear to be higher than that for public regulations across different media. This could be real examples of how threat of statutory regulation works (Verbruggen, 2011). Basically, the private sector promised that it would abide by certain standards in return for the public sector not to push through detailed legislations or regulations tightening how advertising should be conducted.

Across media, differences could be observed in the share of APEC economies whose media regulations address specific principle/provision, with broadcast appearing to be the most regulated media, followed by internet/online and then print media. This is not surprising when seen from the viewpoints of both the public as well as the private sector. The high penetration rate of broadcast media where 98 and 72.4 percent of households in developed and developing economies respectively have a TV in 2010 (ITU, 2010) made its regulations imperative.

The rapid adoption of internet could also impact on the push for more regulations of online media. In 2011, 71 and 20 percent of households in developed and developing economies have internet access respectively. But by 2013, it was estimated that the share has increased by 7 and 8 percent respectively (ITU, 2011 and 2013). In fact, more than half of public regulations that are found and specific to online media are first enacted in and after 2005. All six private regulations which are specific to online media are put in place in the last five years (i.e 2009 onwards). However, it is worth noting that enactment and implementation are two separate issues and with the challenges mentioned earlier, questions on its efficacy are bound to remain.

Table 5. Share of APEC economies whose regulations address specific principle/provision

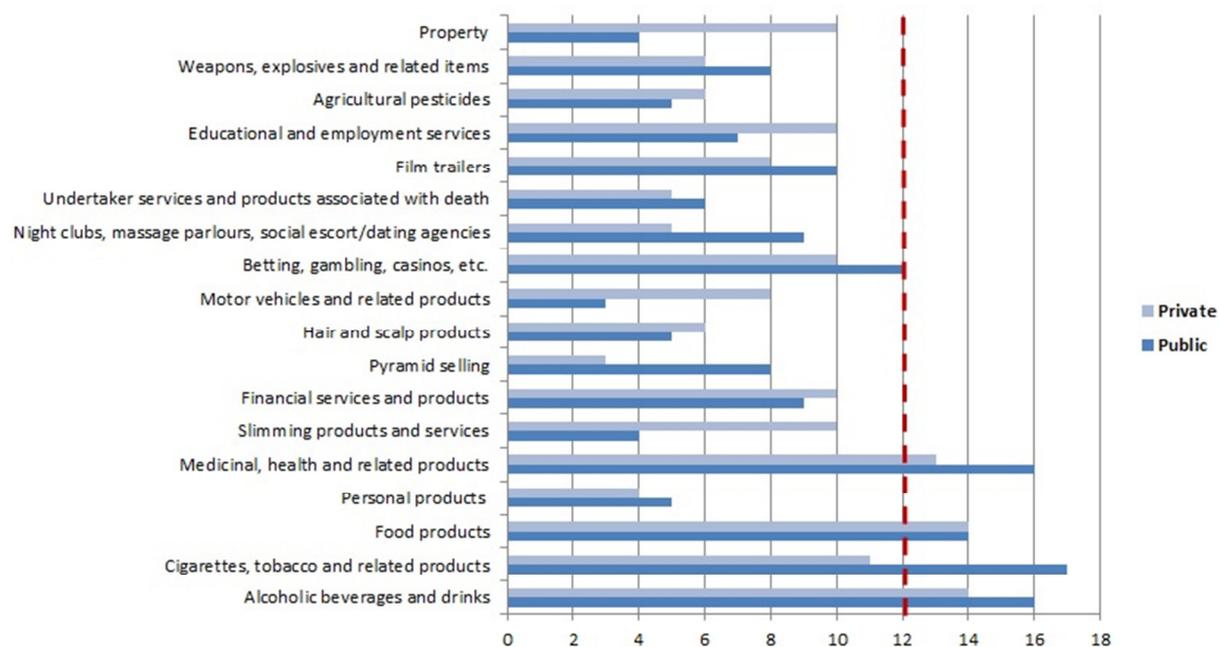
No.	Principle/Provision	Public			Private		
		Broadcast	Print	Online	Broadcast	Print	Online
1	Decency	66.7%	47.6%	76.2%	81.3%	75.0%	75.0%
2	Honesty	47.6%	38.1%	42.9%	93.8%	81.3%	87.5%
3	Fear, superstition, violence, illegality	81.0%	61.9%	71.4%	93.8%	81.3%	87.5%
4	Truthfulness	100.0%	90.5%	95.2%	93.8%	93.8%	93.8%
5	Claims, testimonials, endorsements	100.0%	90.5%	95.2%	93.8%	87.5%	93.8%
6	Comparisons	47.6%	38.1%	38.1%	81.3%	75.0%	81.3%
7	Denigration	76.2%	57.1%	71.4%	87.5%	81.3%	81.3%
8	Exploitation of name or goodwill	52.4%	52.4%	52.4%	75.0%	68.8%	68.8%
9	National policy	71.4%	61.9%	66.7%	56.3%	43.8%	43.8%
10	Moral and social norms	90.5%	66.7%	71.4%	93.8%	87.5%	93.8%
11	Imitation, copyright	81.0%	71.4%	71.4%	75.0%	68.8%	75.0%
12	Safety	57.1%	42.9%	47.6%	87.5%	75.0%	81.3%
13	Guarantee, warranty	61.9%	52.4%	57.1%	75.0%	68.8%	75.0%
14	Sensitivities (religious, racial, etc.)	76.2%	42.9%	57.1%	93.8%	81.3%	87.5%
15	Identification of advertisements	76.2%	42.9%	57.1%	93.8%	87.5%	81.3%
16	Children or young people	95.2%	52.4%	76.2%	93.8%	81.3%	87.5%

Note: Share of APEC economies is no. of APEC economies whose regulations address the specific ICC principle/provision divided by the no. of APEC economies where regulations pertaining to the specific media could be found (i.e 21 for public regulations and 16 for private regulations).

Source: Authors' analysis and information gathered by Dr. Ramanathan Sankaran and Dr. Chandini Sankaran from materials listed in Appendices B1-B6.

2. Sectoral advertising regulations

The same regulations listed in Appendices B1-B6 are vetted to check if APEC economies regulate advertisements of specific goods/services to different extents. Reviewed goods/services are clearly not exhaustive and reflect those that have been commonly mentioned in the regulations found. As seen in Figure 6, certain advertisements such as those related to alcoholic beverages and drinks; medicinal, health and related products; cigarettes, tobacco and related products; food products; and betting, gambling, casinos, etc., are more heavily regulated than others, indicating common interests among economies in regulating them.

Figure 6. No. of APEC economies having regulations pertaining to advertising of selected specific goods/services

Source: Authors' analysis and information gathered by Dr. Ramanathan Sankaran and Dr. Chandini Sankaran from materials listed in Appendices B1-B6.

Differences could also be observed in the number of APEC economies that have public and private regulations for a specific good/service. However, it is better to downplay these differences for various reasons. Firstly, it is not the intention of the paper to promote specific form of regulations. Rather, it is to show that advertisements of certain goods/services are more regulated than others, whether it is through public or private regulations. Secondly, the number of economies with public regulations and those with private regulations differ¹⁶.

Delving deeper into goods/services whose advertisements are more heavily regulated, it could be observed that APEC economies regulate their advertisements using different types of restrictions (Table 6). Content restrictions could be applied across broadcast, print and online media. On the contrary, time restrictions are only applicable for broadcast media while placement restrictions are only applicable for print and internet/online media. No preference for any specific restrictions between public and private regulations was observed.

Content restrictions are broad and range from those that are clear to those that depend on the subjective judgment of the regulators and/or consumers. An example of clear restriction would be an advertisement should not have testimonials from medical practitioner. On the other hand, there is a subjective restriction such as an advertisement should not use words that may cause undue anxiety to the consumers. This is challenging and may give rise to arbitrary decisions because the same words may cause anxiety to some consumers but not to others. Likewise, requirement that advertisement

¹⁶ In addition, regulations listed in Appendices B1-B6 do not include all regulations that are present and may not reflect the true regulatory environment of the economy in question. This problem may be exacerbated for goods/services that are highly specific such as agricultural pesticides and slimming products and services. As an illustration, private regulations affecting advertising of slimming products have been found for economy A, but public regulations have not been found. This does not necessarily mean that country A has no public regulations regarding slimming products. Absence of public regulations could point to private sector taking the lead in regulating the advertisements of slimming products in economy A while presence of public regulations might indicate a stronger public sector.

should not portray product's role in the success of an individual is hard to quantify. While some consumers do not see the link between the product and success, others may see the linkage. Some also require an advertisement not to influence the purchase of the advertised goods which goes against the purpose of the advertisement itself.

Time restrictions differ too across APEC economies. The broadcasts of advertisements of certain goods/services are totally prohibited in that they could not be shown at any time of the day. Some economies restrict the advertising broadcast of certain goods/services to a single time period everyday such as between 9.30pm to 5am. However, there are also economies where the time period for advertising the same goods/services changes depending on whether it is a weekday, a weekend or a holiday.

Differences could also be observed with regards to placement restrictions. There are economies that prohibit placement of specific advertisements in magazines or online media directed towards children. Likewise, some economies allow placement of advertisements only in specialized magazines.

The variations in restrictions among APEC economies may pose some problems from an economic perspective. Often, to adapt each advertisement to the regulations of individual economies, a new advertisement altogether has to be created because what is deemed appropriate in economy A could be deemed inappropriate in economy B. The cost of adaptation may be too high for stakeholders to consider entering another market, leading to a situation where economies are unable to exploit comparative advantage and hence loss of economic efficiency in the use of scarce resources.

As part of the services industry, advertising helps to boost sales of goods/services by encouraging increased domestic consumption and export. Over-restrictions prevent its full use as a marketing tool to reach wider consumers, may have dire consequences on the viability of the producers and consequently knock-on effects on their suppliers and the economy as a whole.

Table 6. Examples of advertising restrictions in APEC economies for more heavily-regulated goods/services

Alcoholic beverages and drinks		
Public	Broadcast	<ul style="list-style-type: none"> Prohibited (Brunei Darussalam; Indonesia; Malaysia). Should not influence non-drinkers of any age to drink or purchase alcoholic beverages (Canada).
	Print	<ul style="list-style-type: none"> Promoting alcohol consumption is prohibited (Thailand). Should not be placed on the first and last pages of newspapers (Russia).
	Online	<ul style="list-style-type: none"> Sale promotion for beer targeting under-18 is prohibited (Viet Nam). Should not use medical terms that lead to confusion with pharmaceuticals (China).
Private	Broadcast	<ul style="list-style-type: none"> Should not be broadcast in M (12pm to 3pm and 8.30pm to 5am on weekdays; 8.30pm to 5am on school holidays and weekends), MA (9pm to 5am on weekdays, school holidays and weekends) or AV (9.30pm to 5am on weekdays, school holidays and weekends) classification periods (Australia). Actors must be 21 years old and look adult (Philippines).
	Print	<ul style="list-style-type: none"> Should not convey the message that drinking is a prerequisite to relaxation (Hong Kong, China). Should not encourage over-indulgence (Singapore).
	Online	<ul style="list-style-type: none"> Should not be targeted directly to children (USA). Should not portray alcohol consumption as the main reason for success (Malaysia).
Medicinal, health and related products		
Public	Broadcast	<ul style="list-style-type: none"> Medical claims should obtain written approval from Ministry of Health (Brunei Darussalam). Comparison of efficacy with other products is prohibited (China).
	Print	<ul style="list-style-type: none"> Should not be false in terms of value, quantity, composition and safety (Philippines). Should not be addressed to minors (Russia).
	Online	<ul style="list-style-type: none"> Must be examined prior to advertising (Thailand). Prohibited for prescribed medicines (Viet Nam).
Private	Broadcast	<ul style="list-style-type: none"> Must be approved by the Australian Self-Medication Industry prior to broadcast (Australia). Should not use terms that may cause undue anxiety (Japan).
	Print	<ul style="list-style-type: none"> Should not have testimonials by medical practitioners (Hong Kong, China). Should not suggest excessive use and guarantee cure (Indonesia).

	Online	<ul style="list-style-type: none"> • Should not show medicines within reach of children without close parental supervision (Malaysia). • Must be balanced and not mislead (New Zealand).
Cigarettes, tobacco and related products		
Public	Broadcast	<ul style="list-style-type: none"> • Prohibited (Australia; China; Korea; Russia; Singapore; Chinese Taipei; Viet Nam). • Could only be shown from 9.30pm to 5am (Indonesia).
	Print	<ul style="list-style-type: none"> • Must comply with all relevant provisions relating to tobacco advertisements under Smoking (Public Health) Ordinance (Hong Kong, China).
	Online	<ul style="list-style-type: none"> • Should contain the warning “cigarette smoking is dangerous to your health as indicated in the label” (Philippines).
Private	Broadcast	<ul style="list-style-type: none"> • Prohibited (Japan; Malaysia; Singapore). • Should only target adult audience (Hong Kong, China).
	Print	<ul style="list-style-type: none"> • Prohibited (Singapore). • Should not be placed in media targeting under-17 (Indonesia).
	Online	<ul style="list-style-type: none"> • Prohibited (Japan; Malaysia; Singapore). • Should not be placed in media targeting under-18 (Philippines).
Food products		
Public	Broadcast	<ul style="list-style-type: none"> • Prohibited for infant formula milk (Korea). • Prohibited for food featuring premiums directed at children (Chinese Taipei).
	Print	<ul style="list-style-type: none"> • Food supplements should not stimulate refusal from healthy food (Russia). • Must be accompanied by registration certificate (Viet Nam).
	Online	<ul style="list-style-type: none"> • Claim about therapeutic qualities subject to prior screening (Malaysia). • Must not use medical terms likely to cause confusion (China).
Private	Broadcast	<ul style="list-style-type: none"> • Should not mislead on nutritive value (New Zealand). • Not allowed for food suspected to be a health hazard (Japan).
	Print	<ul style="list-style-type: none"> • Should not encourage children to replace main meals with snack foods (Singapore). • Must substantiate claims (Hong Kong, China).
	Online	<ul style="list-style-type: none"> • Should not promote an inactive lifestyle among children (Australia). • Should not show food wastage (Indonesia).

Betting, gambling, casinos, etc.		
Public	Broadcast	<ul style="list-style-type: none"> • Prohibited (Brunei Darussalam; Korea; Singapore). • Could only be broadcast from 10pm to 7am (Russia). • Regulations concerning contest must be disclosed (USA).
	Print	<ul style="list-style-type: none"> • Prohibited (China). • Could only be placed in specialized publications (Russia).
	Online	<ul style="list-style-type: none"> • Prohibited (Brunei Darussalam; China; Indonesia). • Should not exaggerate the probability of winning or diminish the degree of risk (Russia).
Private	Broadcast	<ul style="list-style-type: none"> • Must not be broadcast in throughout the entire day from Monday to Friday, nor on weekends from 6am to 8.30am and from 4pm to 7.30pm (Australia).
	Print	<ul style="list-style-type: none"> • Prohibited (Indonesia; Singapore). • Only lotteries approved by government are allowed (Philippines).
	Online	<ul style="list-style-type: none"> • Prohibited (Indonesia; Malaysia; Singapore). • Should not promote reliance on gaming as a means of relieving a person’s financial or personal difficulties (New Zealand).

Source: Authors’ analysis from materials listed in Appendices B1-B6

4. SELF-REGULATORY ORGANIZATIONS (SROS) IN APEC ECONOMIES

Various aspects of self-regulation have been discussed in different chapters of this paper. Chapter 2 compares the advantages and disadvantages of self-regulation vis-à-vis public regulation and explains the interactions between the two. Chapter 3 takes note of the adherence of private regulations in APEC economies to selected principles/provisions of the Consolidated ICC Code. It also notes the absence of self-regulation in some economies but points out that several are at different stages of implementing self-regulatory mechanism.

This chapter hopes to contribute to the discussion on self-regulation in three-fold. For economies with SROs, it is to review the current state of its self-regulation mechanism and to identify areas of improvements. For economies without SROs and are in the midst of putting in place a form of self-regulation, it is to inform them of best practices that they could potentially adopt. Finally, for economies without SROs and are not planning to establish one, it is to provide an alternative model to complement their existing ones.

While ICC code is commonly the standard to emulate in determining how an advertisement should be and should not be, EASA Best Practice Recommendations (BPRs) proposes ways to optimize the regulatory activities of SROs and enhance their impact and effectiveness. Indeed, in a report of the outcome of second ARCAM Dialogue held in Hanoi, Viet Nam, the ten components of EASA’s 2004 Best Practice Self-Regulatory Model in Table 7 were mentioned as international best practices for an effective self-regulation that APEC economies could draw on.

Table 7. Components of European Advertising Standards Alliance (EASA) Best Practice Self-Regulatory Model

No.	Component	Explanation
1	Universality of the Self-Regulatory System	The system should apply without exception to all three parts of the industry (advertisers, advertising agencies and media); In addition, it should be able to depend on the moral support of a large majority of the industry.
2	Sustained and Effective Funding	The system should be funded properly and sustainably by the industry.
3	Efficient and Resourced Administration	The system should be managed in a cost-efficient and business-like manner with defined standards of service. These include having independent secretariat and strategic action plan.
4	Universal and Effective Codes	The code should be based on universally-accepted ICC Codes of Marketing and Advertising Practice, apply to all forms of advertising and widely available.
5	Appropriate Advice and Information	The system should be able to provide services such as copy advice and advice on general interpretation through precedents, guidance notes, etc.
6	Prompt and Efficient Complaint Handling	The system should be able to handle domestic complaints promptly. Where cross-border complaint handling exists, it should also be handled speedily.
7	Independent and Impartial Adjudication	The system should be able to judge cases efficiently, professionally and impartially.
8	Effective Sanctions	The system should have a range of sanctions that could be imposed to ensure compliance such as

		media's agreement not to show offending advertisement.
9	Efficient Compliance and Monitoring	The system should have systematic monitoring in place to identify cases on its own and to evaluate levels of code compliance.
10	Effective Industry and Consumer Awareness	The system should have a high profile such that consumers are aware of the complaint procedures and industry players are aware of their obligations.

Source: *European Advertising Standards Alliance website* (<http://www.easa-alliance.org/About-SR/Charter-Validation/page.aspx/237>)

1. Adherence of SROs in APEC economies to the EASA Best-Practice Self-Regulatory Model.

The number of private bodies with responsibilities resembling that of SROs in each APEC economy varies. There are economies where a single body exists to oversee the entire spectrum of self-regulation process from standard-setting to standard-enforcement. There are also economies where different bodies are involved in different aspects of self-regulation; one could be involved in standard-setting while the other is involved in administering the standards. Moreover, there are economies where industry-specific bodies set the standards on how their goods/services could be advertised.

To illustrate the complex nature of self-regulation in an economy, Australia has the Australian Association of National Advertisers (AANA) which created and reviewed the Code of Ethics regulating advertising and marketing. However, the Code is administered by another body, the Advertising Standards Bureau (ASB). There also exist the Brewers Association of Australia and New Zealand Inc., the Distilled Spirits Industry Council of Australia Inc. (DSICA) and the Winemakers Federation of Australia, which collectively have come up with the Alcohol Beverages Advertising (and Packaging) Code. In addition, DSICA has also released its own Statement of Responsible Practices for Alcohol Advertising and Marketing.

In order to frame the analysis such that it provides useful, actionable information and yet does not get impeded by the complexity of self-regulatory landscape of individual economy, a representative SRO has been selected for each economy. These SROs generally fulfill two criteria: 1) they are inclusive in that they are not industry specific and they oversee advertising standards for a broad range of goods/services; 2) they cover all or wide spectrum of advertising self-regulation, in particular standard-administering activities. For added measure, selected SROs are cross-checked with those listed in ICC Codes Centre. With the exception of Indonesia and Thailand where no SROs are listed, all selected SROs corresponded with those on the list. Books, SRO websites, SRO-administered regulations and operating procedures as well as interviews of key informants are used as primary source of analysis. Table 8 provides for each economy the name of the representative SRO as well as its adherence to the specific EASA Best Practice component.

It can be observed that most representative SROs adhere to the following EASA Best Practice components: 1) Universality of the Self-Regulatory System; 2) Sustained and Effective Funding; 3) Universal and Effective Codes; 4) Appropriate Advice and Information; 5) Prompt and Efficient Complaint Handling; 6) Independent and Impartial Adjudication; and 7) Effective Sanctions. Table 9 lists some of the best practices by SROs of APEC economies in these components and which areas possible capacity building could focus on.

Fewer SROs have the ability to ensure efficient compliance and monitoring. Specifically, it means many SROs are reliant on complaints before initiating investigations and are lacking in the knowledge to institute systematic monitoring programme. However, within APEC, there are SROs whose practices in this component could serve as guide. For example, Advertising Standards Canada (ASC) releases compliance report on whether participants deliver on their commitments. CONAR Mexico conducted more than 3,000 self-investigations in 2011 alone.

The number of SROs with the ability to ensure effective industry and consumer awareness is also relatively lower. Essentially, it indicates that many people do not know the existence of SROs in their economy or the kind of services that SROs provide. This is a serious issue because if SROs are unable to add value through their services, then it would bring to the fore questions on whether SRO is needed in the first place. Fortunately, there are also SROs in APEC that have been successful in raising its profile through activities which range from publishing of annual reports and completed cases as is done by CONAR Chile to more proactive approach such as organizing meetings with the public and private sectors as is done by Japan Advertising Review Organization (JARO).

Last but not least, SROs in APEC economies appear to encounter problems in establishing an efficient and resourced administration. Reasons include small number of dedicated staffs, non-independence of its staffs and the observations that despite having proper structure on paper, the SRO has become inactive. The diversity of SROs within APEC however provides learning opportunities among members. For instance, Advertising Standards Bureau Australia (ASB) has a strategic plan covering areas such as internal business processes and long term development. Advertising Self-Regulatory Council in the USA (ASRC) has a well-administered system made up of staff attorneys, legal associates and advertising review specialists.

While capacity building activities may want to prioritize components where fewer SROs adhered to, it is worthwhile to note that even for components where more SROs adhered to, there are still room for improvements. A case in point would be on obtaining sustained and effective funding; it appeared that only Australia and New Zealand have managed to obtain funding through levies collected from media buying agencies, advertisers and advertising agencies. Unlike other SROs where funding is obtained through membership fees, copy advice services, etc., the levies are fairly similar to a tax system and are collected for each advertisement, ensuring a steady flow of funding so long as the practice of advertising exists.

Table 8. Adherence of SROs in APEC economies to components of the EASA Best Practice Self-Regulatory Model

Economy	Name of Representative SRO	Universality of the Self-Regulatory System	Sustained and Effective Funding	Efficient and Resourced Administration	Universal and Effective Codes	Appropriate Advice and Information
Australia	Advertising Standards Bureau (ASB)	✓	✓	✓	✓	✓
Canada	Advertising Standards Canada (ASC)	✓	✓ ^{4/}	✓	✓	✓
Chile	Consejo de Autorregulacion y Etica Publicitaria (CONAR) Chile	✓	✗ ^{5/}	✓	✓	✓
Hong Kong, China	Association of Accredited Advertising Agents of Hong Kong (HK4As)	✓ ^{1/}	✓ ^{4/}	NA ^{7/}	✓	✓
Indonesia	Dewan Periklanan Indonesia (DPI)	✓ ^{2/}	✓ ^{4/}	NA ^{8/}	✓	NA ^{12/}
Japan	Japan Advertising Review Organization (JARO)	✓	✓ ^{4/}	✓	✓ ^{11/}	✓
Korea	Korea Advertising Review Board (KARB)	✓ ^{2/}	✓ ^{4/}	✓	✓	✓
Malaysia	Advertising Standards Authority Malaysia (ASAM)	✓ ^{2/}	✓ ^{4/}	✓	✓	✓
Mexico	CONAR Mexico	✓	✓ ^{4/}	✓	✓	✓
New Zealand	Advertising Standards Authority New Zealand (ASANZ)	✓	✓	✓	✓	✓
Peru	CONAR Peru	✓	✓	✓	✓	✓
Philippines	Advertising Board of the Philippines (AdBoard)	✓	✓ ^{4/}	✓	✓	✓
Singapore	Advertising Standards Authority Singapore (ASAS)	✓	✓ ^{4/}	✓	✓	✓
Chinese Taipei	Taipei Association of Advertising Agencies (TAAA)	✓	✓ ^{4/}	NA ^{9/}	✓	✓
Thailand	Advertising Association of Thailand (AAT)	✗ ^{3/}	✓ ^{4/}	✗ ^{10/}	✓	✓
USA	Advertising Self-Regulatory Council (ASRC) managed by Council of Better Business Bureaus (BBB)	✓	✗ ^{6/}	✓	✓	✓
No. of economies adhering to component		15	14	12	16	15

Economy	Name of Representative SRO	Prompt and Efficient Complaint Handling	Independent and Impartial Adjudication	Effective Sanctions	Efficient Compliance and Monitoring	Effective Industry and Consumer Awareness
Australia	Advertising Standards Bureau (ASB)	✓	✓	✓	✓	✓
Canada	Advertising Standards Canada (ASC)	✓	✓	✓	✓	✓
Chile	Consejo de Autorregulacion y Etica Publicitaria (CONAR) Chile	✓	✓	✓	✓	✓
Hong Kong, China	Association of Accredited Advertising Agents of Hong Kong (HK4As)	NA ^{13/}	NA ^{16/}	NA ^{18/}	NA ^{19/}	NA ^{21/}
Indonesia	Dewan Periklanan Indonesia (DPI)	NA ^{14/}	NA ^{16/}	✓	NA ^{19/}	✗ ^{22/}
Japan	Japan Advertising Review Organization (JARO)	✓	✓	✓	✓	✓
Korea	Korea Advertising Review Board (KARB)	✓	✓	✓	✓	✓
Malaysia	Advertising Standards Authority Malaysia (ASAM)	✓	✓	✓	NA ^{19/}	NA ^{23/}
Mexico	CONAR Mexico	✓	✓	✓	✓	✓
New Zealand	Advertising Standards Authority New Zealand (ASANZ)	✓	✓	✓	✓	✓
Peru	CONAR Peru	✓	✓	✓	✓	✓
Philippines	Advertising Board of the Philippines (AdBoard)	✓	✓	✓	NA ^{20/}	✓
Singapore	Advertising Standards Authority Singapore (ASAS)	✓	✓	✓	✓	✓
Chinese Taipei	Taipei Association of Advertising Agencies (TAAA)	NA ^{15/}	NA ^{16/}	NA ^{18/}	NA ^{19/}	✓
Thailand	Advertising Association of Thailand (AAT)	✓	✓ ^{17/}	✓	NA ^{19/}	NA ^{24/}
USA	Advertising Self-Regulatory Council (ASRC) managed by Council of Better Business Bureaus (BBB)	✓	✓	✓	✓	✓
No. of economies adhering to component		13	13	14	10	12

1/ Self-regulatory is applicable to all media but there are several requirements that members must meet to qualify for membership such as sizeable billing, leading to possibility of exclusion.

2/ Self-regulation is not applicable to government-owned media.

3/ Self-regulation does not apply to broadcast media as it is censored by the government.

4/ Source of funding is available but there is no mention of sufficiency.

5/ Executive Director of CONAR Chile mentioned that it needs more financial resources to professionalize further and carry out its responsibilities.

6/ President and CEO of ASRC mentioned that the major barrier to vibrant self-regulation is funding.

7/ HK4As is run by an Executive Committee and Sub-committees, all of which are representatives from member companies/agencies and hence bringing to the fore questions on its efficiency.

8/ DPI has a presidium and bodies overseeing different aspects such as business, profession, ethics and social. However, an interviewer mentioned that it has been dormant.

9/ TAAA has a list of directors and supervisors, all of which are representatives from member companies/agencies and hence bringing to the fore questions on its efficiency.

10/ AAT has small staff and responds poorly to communications.

11/ JARO has 5-clause principles instead of codes.

12/ DPI has a body overseeing ethics that provides copy advice service but an interviewer mentioned that it has not been active.

13/ Insufficient information that HK4As provides complaint handling services. In addition, an interviewer mentioned that complaint handling is done through SROs, government regulator, media and consumer council but did not elaborate.

14/ DPI appears to provide complaint handling services but an interviewer mentioned that it has not been active.

15/ Insufficient information from TAAA about complaint handling.

16/ Insufficient information that self-regulation provides independent and impartial adjudication from available sources.

17/ Appeals committee is not independent.

18/ Insufficient information that self-regulation has effective sanctions from available sources.

19/ Insufficient information that self-regulation has efficient compliance and monitoring from available sources.

20/ Insufficient information that self-regulation by AdBoard has efficient compliance and monitoring from available source. However, Ad Standards Council, Inc. (ASC), another SRO in the Philippines, has efficient compliance and monitoring as indicated in its website.

21/ HK4As website indicates that it organizes many activities and publicity events but an interview mentioned that collaboration among industry players is low.

22/ DPI does not have a website and an interviewer mentioned that SRO has not been active.

23/ ASAM has sections dedicated to industry and consumers on its website but insufficient information beyond it.

24/ Insufficient information on AAT's performance in this component.

Source: Authors' analysis of PSU Project Report (unpublished), information gathered by Dr. Ramanathan Sankaran and Dr. Chandini Sankaran and SRO websites

Table 9. Examples of Best Practices from selected APEC economies and possible capacity building activities for each component of the EASA Best Practice Self-Regulatory Model

No.	Component	Examples of Best Practices	Possible Capacity Building
1	Universality of the Self-Regulatory System	<ul style="list-style-type: none"> • Advertising Board of the Philippines (ABP) mentioned that all members of industry subscribe to self-regulation principle. • Advertising Standards Canada (ASC) administers code which applies to advertising in any medium. 	<ul style="list-style-type: none"> • Advise SROs on steps to obtain support from all three parts of industry (advertisers, advertising agencies and media). • Help SROs to develop ways to increase coverage to all significant forms of advertising.
2	Sustained and Effective Funding	<ul style="list-style-type: none"> • Advertising Standards Bureau Australia (ASB) funds itself by collecting a levy which is set at 0.035% of gross media expenditure since 1997 and would be increased to 0.05% in April 2014. Levy is collected through media buying agencies, advertisers and advertising agencies. 	<ul style="list-style-type: none"> • Sharing with SROs Best Practices to generate sustainable funding, in particular ways of navigating the legislative processes in getting levies formalized in the forms of tax.
3	Efficient and Resourced Administration	<ul style="list-style-type: none"> • Advertising Standards Bureau Australia (ASB) has a strategic plan covering four key result areas, namely financial, beneficiaries/stakeholders, internal business processes and long term development. • Advertising Self-Regulatory Council of the USA (ASRC) has a well-administered system with staff attorneys, legal associates, advertising review specialist, etc. 	<ul style="list-style-type: none"> • Train SROs to form dedicated, independent and credible secretariat. • Assist SROs in formulating their budget review process and strategic action plan.
4	Universal and Effective Codes	<ul style="list-style-type: none"> • The codes and standards for advertising of Dewan Periklanan Indonesia (DPI) are applicable to all forms of advertising. • The same for Singapore Code of Advertising Practice administered by Advertising Standards Authority of Singapore (ASAS). 	<ul style="list-style-type: none"> • Assist SROs in formulating codes and standards that is based on the universally-accepted Consolidated ICC Code. • Facilitate the need of SROs to extend coverage of its codes and standards to include new forms of advertising such as those in online media.
5	Appropriate Advice and Information	<ul style="list-style-type: none"> • Advertising Standards Authority New Zealand (ASANZ) provides therapeutic and liquor advertising prevetting system through Association of New Zealand Advertisers. 	<ul style="list-style-type: none"> • Guide SROs on Best Practices to provide copy advice services. • Help SROs to acquire skills to prepare advice and

		<ul style="list-style-type: none"> Advertising Self-Regulatory Council of the USA (ASRC) has an online archive where subscribers can access more than 6,000 decisions. 	<p>guidance notes on code interpretation.</p>
6	Prompt and Efficient Complaint Handling	<ul style="list-style-type: none"> Advertising Board of the Philippines (AdBoard) shared that the Secretariat must schedule a hearing within 10 working days after the case is formally filed. Advertising Standards Authority New Zealand (ASANZ) mentioned that appeals must be made to the Secretary of the Complaints Board within 14 days of receipt of written decision. 	<ul style="list-style-type: none"> Advise SROs on steps to create speedy and efficient complaint procedures that is consistent with defined standards. Train SROs on ways to handle cross-border complaints in view of increase usage of online media.
7	Independent and Impartial Adjudication	<ul style="list-style-type: none"> Advertising Standards Authority Singapore (ASAS) members with vested interest in dispute should declare interest and absent themselves from deliberations. Similar for National Advertising Review Board (NARB) member in the USA. 	<ul style="list-style-type: none"> Guide SROs on ways to create independent and impartial procedures. Assist SROs in developing thorough but unelaborate review as well as decision implementation procedures.
8	Effective Sanctions	<ul style="list-style-type: none"> Advertising Standards Authority Malaysia (ASAM) mentioned that media owners accept the rulings of ASAM committee as binding. Advertising Board of the Philippines (AdBoard) has sanctions such as fines and ban from media and/or advertising services. 	<ul style="list-style-type: none"> Facilitate SROs in developing effective sanctions for non-compliance. Sharing with SROs ways to obtain commitment of media to uphold their decisions, in particular online media owners.
9	Efficient Compliance and Monitoring	<ul style="list-style-type: none"> Advertising Standards Canada (ASC) releases compliance report on whether participants deliver on their commitments. CONAR Mexico conducted 3,043 'own-initiative' investigations in 2011. 	<ul style="list-style-type: none"> Facilitate SROs in instituting systematic monitoring programme. Share with SROs Best Practices in engaging various stakeholders in discussions. Train SROs to conduct monitoring and compliance surveys for code improvements.
10	Effective Industry and Consumer Awareness	<ul style="list-style-type: none"> Japan Advertising Review Organization (JARO) has a public relations committee and organizes meetings with private and public sectors. CONAR Chile publishes a list of completed cases and compiles them into annual reports. 	<ul style="list-style-type: none"> Help SROs in generating information and evidence of its activities in a non-technical nature. Assist SROs in formulating strategies to create better outreach activities.

Source: European Advertising Standards Alliance website (<http://www.easa-alliance.org/About-SR/Charter-Validation/page.aspx/237>) and SRO websites.

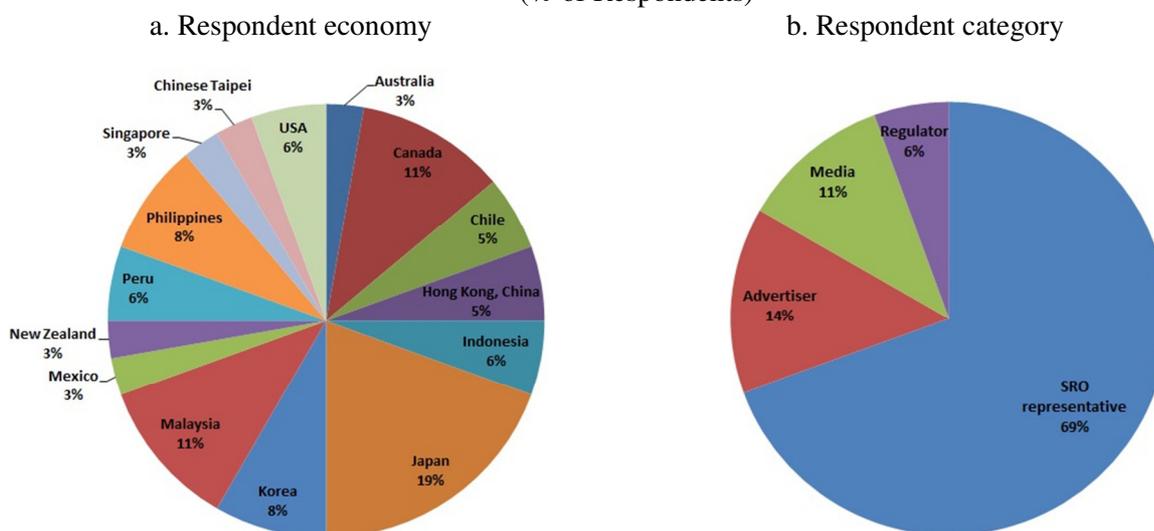
2. Insights from survey of key informers in the advertising industry

To complement the findings obtained through desk-bound research, key informers in the APEC advertising industry were surveyed during the course of the study. Respondents were given a structured questionnaire and requested to provide responses from the perspectives of their organizations pertaining to the issue of regulation and self-regulation in their respective advertising industry. Please refer to Appendix C for a copy of the questionnaire.

36 responses from 15 APEC economies were collected at the end of the study period. Canada; Japan; Korea; Malaysia; and Philippines together made up close to 60 percent of the respondents (Figure 7a). By category, majority of the respondents were SRO representatives, 14 percent were advertisers, 11 percent were media owners/ operators while regulators made up 6 percent of the respondents (Figure 7b)¹⁷.

Figure 7. Profile of key informers

(% of Respondents)



Source: Authors' own calculation

Respondents were requested to rate their agreement to several statements about advertising regulations in their respective economy on a scale of 1 (strongly disagree) to 5 (strongly agree)¹⁸. As the number of responses per economy is small, analysis would be carried out at APEC-wide level instead of individual economies. From Table 10, it could be observed that the agreement levels expressed by respondents were somewhere between disagree to slightly above neutral, with the ratings ranging from 2.52 to 3.13. Although it is not statistically significant, there appears to be differences in the ratings given by SRO representatives vis-à-vis advertisers and media owners/operators, with the more striking ones being their views on the statement that many advertising laws and regulations in their economies are outmoded and/or ineffective as well as the need to revamp existing laws and regulations; while SRO representatives had a tendency to disagree, advertisers and media owners/operators agreed to both statements. Differences with the other

¹⁷ Respondents who have indicated themselves as representing advertising associations have been classified as SRO representatives because many associations provide services resembling those of SROs. In addition, associations generally require their members to abide by certain rules and regulations.

¹⁸ Specifically, the ratings are 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree) and 5 (strongly agree).

statements relating to whether their existing advertising laws and regulations cater to ICT developments and/or are too many are more subdued.

Table 10. Views/opinions on advertising regulations in APEC economies

No.	Statement	Overall Average Rating	SROs' Rating	Advertisers and Media Owners/ Operators' Rating
1	Many of the advertising laws and regulations in my economy are outmoded and/or ineffective.	2.74 (31)	2.55 (20)	3.11 (9)
2	Existing advertising laws and regulations do not cater for developments in information and communication technology.	3.13 (31)	3.20 (20)	3.00 (9)
3	There is an urgent need to revamp existing advertising laws and regulations.	2.81 (31)	2.55 (20)	3.33 (9)
4	There are too many advertising laws and regulations in my economy.	2.52 (29)	2.67 (18)	2.44 (9)

Note: No. in brackets refer to number of respondents. The ratings correspond to 5=strongly agree with the statement; 1=strongly disagree

Source: Authors' own calculations

While these are interesting observations, caution must be taken when interpreting the ratings because they were given by a small number of respondents from economies whose state of advertising regulations are very diverse from one another. As an illustration, observed individual rating for statement 3 on the need to revamp existing laws and regulations range from 1 (strongly disagree) to 5 (strongly agree).

This is further supported by respondents' views and suggestions to perceived gaps in the advertising industry regarding knowledge about laws and regulations; understanding of international standards and best practices; level of cooperation among government regulators, advertising industry representatives and key industry players; and level of initiatives to gain industry cooperation. Views of respondents across all four gaps were mixed and split between those who agree that the gap exists and those who disagree.

On perceived lack of knowledge about laws and regulations by industry players in their economies, responses vary from disagreement that the gap exists to suggestions that seminars and certifications be given to raise the level of knowledge. On lack of understanding of international standards and best practices in advertising regulations at the national level, responses vary from it being non-relevant to it being an issue where regular training and professional development programmes are suggested as a way to promote greater understanding of this aspect. The same could be observed for the other two gaps on: 1) low level of cooperation among government regulators, advertising industry representatives and key industry players; and 2) low level of initiatives to gain industry cooperation in their economies.

Therefore, it is not surprising to observe the different recommendations made by respondents on capacity building. They range from general ones such as the need to ensure respect for self-regulation mechanism to specific ones such as familiarizing people with the advertising standards that are currently in place.

The survey also asked respondents to rate their agreement to several statements about advertising self-regulation in their respective economy, similarly on a scale of 1 (strongly disagree) to 5 (strongly agree). As shown in Table 11, respondents gave every statement an overall rating that is above neutral, indicating their fairly positive views on self-regulation in their economies.

However, more informative observations were observed when the ratings were divided into whether they belong to SRO representatives or to advertisers and media owners/ operators. SRO representatives rated themselves better across all evaluated areas than advertisers and media owners/ operators had rated them. The differences in rating are significant at 1 to 10 percent level of significance and could support an earlier observation that many SROs in APEC lack the mechanism to ensure an effective consumer and industry awareness. Presumably, SROs believed that they had done sufficiently well in these areas but had failed to communicate their achievements to industry stakeholders, who then viewed them in a less positive light.

Table 11. Evaluation of advertising self-regulation in APEC economies

No.	Statement	Overall Rating	SROs' Rating	Advertisers and Media Owners/ Operators' Rating
1	I am satisfied with the standards of advertising practice and self-regulation in my country**.	3.94 (32)	4.27 (22)	3.13 (8)
2	The self-regulatory organization (SRO) in my country is effective***.	4.00 (32)	4.36 (22)	3.13 (8)
3	There is an effective Code of Advertising Practice in my country**.	3.75 (32)	4.05 (22)	3.00 (8)
4	The SRO provides copy advice to advertisers***.	3.47 (32)	3.77 (22)	2.25 (8)
5	Consumer complaints are handled either by government regulator or by the SRO*.	3.81 (31)	4.10 (21)	3.00 (8)
6	There are avenues for submitting and handling online consumer complaints*.	3.94 (31)	4.05 (21)	3.38 (8)
7	Decisions regarding consumer complaints are published*.	3.57 (28)	3.74 (19)	2.86 (7)
8	Self-regulatory codes of advertising practice are drafted openly*.	3.54 (28)	3.78 (18)	2.88 (8)
9	There is a high level of consultation among regulators, advertisers, media owners and SRO representatives in my country***.	3.71 (28)	4.11 (19)	2.57 (7)

Note: No. in brackets refer to number of respondents. Statistical significance in ratings between SRO representatives and advertisers & media owners/operators is indicated as follows: *(10%), **(5%), ***(1%).

Source: Authors' own calculations

Respondents appear to have more consensus on areas of self-regulation system that need further development. More than half indicated the need to expand and improve coverage and services of SROs in their economies; several respondents pointed that SRO services are limited to specific products/services and not available to all advertisers. 24 percent indicated the need for self-regulation to include advertising in new media. Others mentioned the need to ensure better cooperation between SROs in economies with multiple industry regulators, to raise awareness about SROs and to improve advertising contents.

On the assistance needed to further develop advertising in their economies, responses vary and can be broadly classified into those pertaining to handling of new media; training to improve advertising quality and personnel; better government support; and provision of resources covering financial and technological aspects.

5. THE ROLE FOR APEC

This paper has covered topics pertaining to regulations in the advertising industry. To summarize, key findings include the following:

- APEC economies generally have public and/or private advertising regulations that address the general principles/provisions in the Consolidated ICC Code, although differences exist in the number of principles/provisions that each economy addresses, the extent through which specific principle/provision is addressed by each economy and among broadcast, print and online media.
- Sectoral advertising regulations are more diverse across APEC Economies:
 - Regulations vary from content restrictions to time (for broadcast media) and placement restrictions (for print and online media).
 - Certain sectors such as tobacco, medical and food products are more heavily regulated than others by member economies, indicating common interests.
- SROs in APEC Economies meet the different components mentioned in the EASA Best Practice Self-Regulatory Model to varying extents, where substantial improvements could be made in the area of ensuring efficient compliance and monitoring; raising industry and consumer awareness; and improving the state of its administration.

The Second ARCAM Dialogue had provided a good starting point for various stakeholders in the advertising industry to have honest discussions on the challenges that the industry is facing. Moving on, APEC economies should consider using the findings presented in this issue paper to initiate more dialogues to discuss and formulate activities that they can do collectively to ensure the region's competitiveness. These include:

- Sharing of best practices for both general and sectoral advertising regulations between economies. Special attention may be put on regulating the internet advertising considering its exponential use as an advertising medium. APEC's position as a multilateral forum in the Asia-Pacific region may be a good platform to address the cross-border nature of internet advertising.
- Initiate dialogues on sectoral advertising regulations where there are common interests in regulating specific sectors to generate better understanding among member economies on the rationale behind the regulation. In particular, dialogues may also include discussions on how some restrictions are acting as technical barriers to trade. Specifically for advertising, the negative impact of such restrictions may actually be more severe because besides being an industry in its own right, advertising promotes growth of other sectors.
- Organize capacity-building workshops to assist economies in improving the capability of their SROs, particularly in the following area: 1) efficient compliance and monitoring; 2) effective consumer and industry awareness; and 3) efficient and resourced administration.

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APPENDICES

A. Sources leading to information on regulations in Appendices B1-B6 and Self-Regulatory Organizations (SROs)¹⁹

Books, reports and articles:

- Baker & McKenzie. Guide to Media and Content Regulation in Asia Pacific, Sydney: Baker & McKenzie, 2012.
- ²Goonesekera, A. and Ang, P.H. *Information Highways in ASEAN: Policy and Regulations*, Singapore: AMIC, 1999.
- ²Muppidi, S. *Asian Communication Handbook (6th Ed.)*, Singapore: AMIC, 2012.
- ²Ramanathan, S. *Advertising Self-Regulation in Asia and Australasia*, Kuala Lumpur: Macomm Management, 2011.

Websites:

Australia	<ul style="list-style-type: none"> • Australian Association of National Advertisers (http://www.aana.com.au/) • Australian Competition & Consumer Commission (http://www.accc.gov.au/) • Advertising Standards Bureau (http://www.adstandards.com.au/) • Australian Government ComLaw (http://www.comlaw.gov.au/) • Commercial Radio Australia (http://www.commercialradio.com.au/) • The Communications Council (http://www.communicationscouncil.org.au/) • Free TV Australia (http://www.freetv.com.au/) • Australian Government Department of Health (http://www.health.gov.au/) • Australian Press Council (http://www.presscouncil.org.au/) • Publishers' Advertising Advisory Bureau Australia (http://www.publishersbureau.com.au/) • Interactive Advertising Bureau Australia (http://iabaaustralia.com.au/) • The Alcohol Beverages Advertising Code Scheme (http://www.abac.org.au/) • The Distilled Spirits Industry Council of Australia Inc (http://www.dsica.com.au/)
Brunei Darussalam	<ul style="list-style-type: none"> • Tobacco Control Laws (http://www.tobaccocontrolaws.org/)^{2/} • World Intellectual Property Organization (http://www.wipo.int/) • Brunei Resources (http://bruneiresources.com/)
Canada	<ul style="list-style-type: none"> • Advertising Standards Canada (http://www.adstandards.com/en/index.aspx) • Canadian Association of Broadcasters (http://www.cab-acr.ca/) • Canadian Broadcast Standards Council (http://www.ccnr.ca/) • Canadian Radio-television and Telecommunications Commission (http://www.crtc.gc.ca/eng/home-accueil.htm) • Service Ontario e-Laws (http://www.e-laws.gov.on.ca/navigation?file=currencyDates&lang=en) • Educaloi (http://www.educaloi.qc.ca/en) • Publications Quebec

¹⁹ Materials that have been mentioned in the references section are not cited here.

	<p>(http://www.publicationsduquebec.gouv.qc.ca/store.cfm?&ckey=SG&lang=fre)</p> <ul style="list-style-type: none"> • Government of Canada Justice Laws (http://laws-lois.justice.gc.ca/eng/)
Chile	<ul style="list-style-type: none"> • Consejo de Autorregulacion y Etica Publicitaria (http://www.conar.cl/)^{1/} • European Advisory Services (http://www.eas.eu/)^{1/} • Euromonitor International (http://www.euromonitor.com/)^{1/} • Temas Actuales LLC (http://www.temasactuales.com/)^{1/} • World Intellectual Property Organization (http://www.wipo.int/)^{1/} • Biblioteca del Congreso Nacional de Chile - Ley Chile(http://www.leychile.cl/)^{1/}
China	<ul style="list-style-type: none"> • State Administration for Industry & Commerce of the People's Republic of China (http://www.saic.gov.cn/) • State Administration of Press, Publication, Radio, Film and Television of the People's Republic of China (http://www.sarft.gov.cn/ or http://www.gapp.gov.cn/) • World Intellectual Property Organization (http://www.wipo.int/)
Hong Kong, China	<ul style="list-style-type: none"> • The Association of Accredited Advertising Agencies of Hong Kong (http://www.aaaa.com.hk/) • Communications Authority (http://www.coms-auth.hk/en/home/index.html) • Department of Justice (http://www.legislation.gov.hk/blis/eng/index.html) • Hong Kong Press Council (http://www.presscouncil.org.hk/ch/web_index.php)
Indonesia	<ul style="list-style-type: none"> • Casbaa (http://www.casbaa.com/) • Indonesian Broadcasting Commission (KPI)(http://www.kpi.go.id/) • Association of Advertising Agencies (PPPI) (http://www.p3i-pusat.com/) • University of Missouri Donald W. Reynolds Journalism Institute (http://www.rjionline.org) • Tobacco Control Laws (http://www.tobaccocontrolaws.org) • Dewan Pers (http://dewanpers.or.id/) • Boston University Center for Finance, Law & Policy (http://www.bu.edu/bucflp/laws/)
Japan	<ul style="list-style-type: none"> • The Japan Commercial Broadcasters Association (http://www.j-ba.or.jp/) • Japan Advertising Review Organizaton Inc. (http://www.jaro.or.jp/) • University of Missouri Donald W. Reynolds Journalism Institute (http://www.rjionline.org) • Ministry of Internal Affairs and Communications (http://www.soumu.go.jp/) • World Intellectual Property Organization (http://www.wipo.int/) • Copyright Research and Information Center (http://www.cric.or.jp/english/index.html)
Korea	<ul style="list-style-type: none"> • Korea Advertising Review Board (http://www.karb.or.kr/) • Korea Broadcast Advertising Corp. (http://www.kobaco.co.kr/) • Ministry of Government Legislation (http://www.moleg.go.kr/english/) • World Intellectual Property Organization (http://www.wipo.int/)
Malaysia	<ul style="list-style-type: none"> • Attorney General's Chambers of Malaysia (http://www.agc.gov.my/) • Advertising Standards Authority Malaysia (http://www.asa.org.my/) • Malaysian Communications and Multimedia Commission (http://www.skmm.gov.my/)
Mexico	<ul style="list-style-type: none"> • Consejo de Autorregulacion y Etica Publicitaria (http://www.conar.org.mx/)^{1/}

	<ul style="list-style-type: none"> • Global Advertising Lawyers Alliance (http://www.gala-marketlaw.com.previewdns.com)^{1/} • Keplen Juridico (http://www.keplenjuridico.mx/)^{1/} • Organization for Economic Co-operation and Development (http://www.oecd.org/)^{1/} • Pharmaceutical Processing (http://www.pharmpro.com/)^{1/} • Tobacco Control Laws (http://www.tobaccocontrollaws.org/)^{1/} • Olivares Intellectual Property Corporate & Commercial Law Mexico (http://www.olivares.com.mx/)^{1/}
New Zealand	<ul style="list-style-type: none"> • Advertising Standards Authority (http://www.asa.co.nz/) • New Zealand Legislation (http://www.legislation.govt.nz/) • Broadcasting Standards Authority (http://bsa.govt.nz/)
Papua New Guinea	<ul style="list-style-type: none"> • University of Missouri Donald W. Reynolds Journalism Institute (http://www.rjionline.org/) • Media Niugini Limited EMTV (http://emtv.awardspace.com)
Peru	<ul style="list-style-type: none"> • Consejo Nacional de Autorregulacion Publicitaria (http://www.conarperu.org/)^{1/} • Congreso de la Republica del Peru (http://www.congreso.gob.pe/)^{1/} • Tobacco Labelling Resource Centre (http://www.tobaccolabels.ca/)^{1/} • Tobacco Control Laws (http://www.tobaccocontrollaws.org/)^{1/} • World Intellectual Property Organization (http://www.wipo.int/)^{1/}
Philippines	<ul style="list-style-type: none"> • The Advertising Board of the Philippines (http://www.adboard.com.ph/) • Ad Standards Council, Inc. (http://www.asc.com.ph/) • Association of Broadcasters of the Philippines (http://www.kbp.org.ph/) • Lawphil Philippine Laws and Jurisprudence Databank (http://www.lawphil.net/) • World Intellectual Property Organization (http://www.wipo.int/)
Russia	<ul style="list-style-type: none"> • Federal Antimonopoly Service of the Russian Federation (http://en.fas.gov.ru/) • Tobacco Control Laws (http://www.tobaccocontrollaws.org)
Singapore	<ul style="list-style-type: none"> • Consumers Association of Singapore (http://www.case.org.sg/) • Media Development Authority Singapore (http://www.mda.gov.sg/Pages/default.aspx) • Attorney-General's Chambers Singapore (http://statutes.agc.gov.sg/aol/home.w3p)
Chinese Taipei	<ul style="list-style-type: none"> • Casbaa (http://www.casbaa.com) • Fair Trade Commission (http://www.ftc.gov.tw/internet/english/) • National Communications Commission (http://www.ncc.gov.tw/english/) • Taipei Association of Advertising Agencies (http://www.taaa.org.tw/)
Thailand	<ul style="list-style-type: none"> • Advertising Association of Thailand (http://www.adasso thai.com/) • The National Press Council of Thailand (http://www.presscouncil.or.th/) • World Intellectual Property Organization (http://www.wipo.int/) • Global Voices Advocacy (http://advocacy.globalvoicesonline.org/)
USA	<ul style="list-style-type: none"> • Advertising Self-Regulatory Council (http://www.ascreviews.org/) • Federal Communications Commission (http://www.fcc.gov/) • US Food and Drug Administration (http://www.fda.gov/) • Federal Trade Commission (http://www.ftc.gov/) • Interactive Advertising Bureau (http://www.iab.net/)

Viet Nam	<ul style="list-style-type: none">• World Federation of Advertisers (http://www.wfanet.org)• World Intellectual Property Organization (http://www.wipo.int/)
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1/ Information provided by Dr. Chandini Sankaran.

2/ Information provided by Dr. Ramanathan Sankaran.

B1. List of public regulations affecting advertising in broadcast media

Australia	<ul style="list-style-type: none"> • Broadcasting Services Act 1992 (Last amended: 2011) • Broadcasting Services (Commercial Radio Advertising) Standard 2012 • Tobacco Advertising Prohibition Act 1992 (Last amended: 2010) • Australian Competition & Consumer Commission (ACCC) Information on False or misleading claims (Last accessed: 13 Jan 2014) • Competition and Consumer Act 2010 • Copyright Act 1968 (Last amended: 2013) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Brunei Darussalam	<ul style="list-style-type: none"> • Chapter 180 Broadcasting (Revised Edition 2000) • Subsidiary Legislation Notification under Section 9 Broadcasting (Code of Practice) Notification (2000 Ed.)
Canada	<ul style="list-style-type: none"> • Canada Competition Act 1985 (Last amended: 2010) • Quebec Consumer Protection Act (Last updated: 2013) • Canadian Radio-television and Telecommunications Commission (CRTC) Code for Broadcast Advertising of Alcoholic Beverages (Last accessed: 7 Jan 2014) • Broadcasting Act 1991 (Last amended: 2012) • Canada Consumer Product Safety Act 2010 (Last amended: 2011) • Ontario Consumer Protection Act 2002 (Last amended: 2013) • Copyright Act 1985 (Last amended: 2012) and Copyright Amendment Act 2012 • Tobacco Act 1997 (Last amended: 2010)
Chile ^{1/}	<ul style="list-style-type: none"> • Law No. 18.455 establishing Rules of Production, Processing and Marketing of Ethyl Alcohols, Alcoholic Beverages and Vinegars (promulgated by Decree No. 78) (1985, 1999) • Unfair Competition Act No. 20.169 (2007) • Law No. 19.496 on Consumer Protection (Last amended by Law No. 20543 of October 21, 2011) • Tobacco Act (2006, 2013) • Law 20105 Amending Law 19419 Regarding Tobacco Advertising & Consumption (2010) • Law on The Nutritional Composition of Foodstuffs and its Advertising (2013) • Chilean Food Code Proposed Amendment; Law No. 20.606 (2013) • Decree No. 1.876 approving Regulations for the National System for Control of Pharmaceutical Products, Food for Medical Use and Cosmetics (Last amended: 1999) • Law No. 20.555 amending Law No. 19.496 specifically the portion on protection of rights of consumers on financial matters of powers (2011) • Law No. 19.995 which establishes the general rules for the authorization, operation and oversight of casinos (2005)
China	<ul style="list-style-type: none"> • Advertisement Law of the People's Republic of China 1995 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Hong Kong,	<ul style="list-style-type: none"> • Broadcasting Ordinance (Cap. 562) 2000 (Last updated: 2012)

China	<ul style="list-style-type: none"> • Broadcasting (Miscellaneous Provisions) Ordinance (Cap. 391) 1987 (Last updated: 2012) • Generic Code of Practice on Television Programme Standards (Last updated: 2013) • Generic Code of Practice on Television Advertising Standards (Last updated: 2013) • Radio Code of Practice on Advertising Standards (Last updated: 2013) • Copyright Ordinance (Cap. 528) 2007 • Trade Descriptions Ordinance (Cap. 362) 1980 (Last amended: 2013) • Control of Obscene and Indecent Articles Ordinance (Cap. 390) 1987 (Last version: 1997) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Indonesia	<ul style="list-style-type: none"> • Broadcasting Act 2002 • Indonesian Broadcasting Commission (KPI) Code and Standard for Broadcasting Content (Last updated: 2012) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Japan	<ul style="list-style-type: none"> • Broadcast Act 1950 (Last amended: 2010) • Radio Law 1950 (Last amended: 2005) • Unfair Competition Prevention Act 1993 (Last amended: 2011) • Copyright Law (Last amended: 2012) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Korea	<ul style="list-style-type: none"> • Broadcasting Act 2000 (Last amended: 2008) • Fair Labelling and Advertising Act 1999 (Last amended: 2010) • Restrictions set by Korea Broadcast Advertising Corporation (KOBACO) (Last accessed: 7 Jan 2014) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Malaysia	<ul style="list-style-type: none"> • Communications and Multimedia Act 1998 (Last amended: 2006) • Copyright Act 1987 (Last amended: 2006) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Trade Descriptions Act 2011
Mexico ¹⁷	<ul style="list-style-type: none"> • Federal Consumer Protection Law (Ley Federal de Proteccion al Consumidor) (1992) and its amendment (2011) • Federal Law on Radio and Television (Ley Federal de Radio y Television) (1960) • General Health Law on Advertising Amendment (2012) • The Regulation of the General Law on Tobacco Control (June 30, 2009) regulated the General Law on Tobacco Control (2008) • Article 43 of the Regulation of the Health Law Regarding Advertising
New Zealand	<ul style="list-style-type: none"> • Broadcasting Act 1989 (Last reprinted: 2013) • Free-To-Air Television Code of Broadcasting Practice (Last updated: 2011)

	<ul style="list-style-type: none"> • Pay Television Code of Broadcasting Practice (Last updated: 2008) • Radio Code of Broadcasting Practice (Last updated: 2008) • Copyright Act 1994 (Last reprint: 2013) • Copyright (New Technologies) Amendment Act 2008 (Last reprint: 2011) • Fair Trading Act 1986 (Last reprint: 2013) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Papua New Guinea	<ul style="list-style-type: none"> • Broadcasting Code of Practice (Last accessed: 8 Jan 2014) • General Code of Ethics for News Media (Last accessed: 8 Jan 2014) • Code of Ethics and Practice for Broadcast Advertisements (Last accessed: 20 Jan 2014) • Code of Advertising to Children (Last accessed: 20 Jan 2014)
Peru ¹⁷	<ul style="list-style-type: none"> • Legislative Decree No. 1044 of June 25, 2008 Approving the Law on Suppression of Unfair Competition • General Law for Prevention and Control of Tobacco Risks Law No. 28705 (2006, 2009, 2010) • Law on the Promotion of a Healthy Diet for Children and Adolescents (2013)
Philippines	<ul style="list-style-type: none"> • Presidential Decree No. 1986 Creating The Movie and Television Review and Classification Board (1985) • Intellectual Property Code of the Philippines 1997 • The Anti-Photo and Video Voyeurism Act 2009 • Anti-Child Pornography Act 2009 • Anti-Trafficking in Persons Act 2003 • The Consumer Act of the Philippines 1992 • Tobacco Regulation Act 2003 • Securities Regulation Code 2000 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Russia	<ul style="list-style-type: none"> • Federal Law on Advertising 2006
Singapore	<ul style="list-style-type: none"> • Broadcasting Act 1994 (Last amended: 2012) • Media Development Authority (MDA) TV Advertising Code (Last updated: 2012) • MDA Radio Advertising and Sponsorship Code (Last updated: 2011) • Copyright Act 1987 (Last revised: 2006) • Consumer Protection (Fair Trading) Act 2003 (Last revised: 2009) • Indecent Advertisements Act 1941 (Last revised: 1985) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Chinese Taipei	<ul style="list-style-type: none"> • Fair Trade Act 2011 • Information on advertising from CASBAA (Last accessed: 8 Jan 2014) • Radio and Television Act 1976 (Last amended: 2011) • Satellite Broadcasting Act 1999 (Last amended: 2003) • Fundamental Communications Act 2004 • Tobacco and Alcohol Administration Law (Last amended: 2009) • The National Communications Commission Temporary Directions for

	<p>Commercial Product Placement in Television Programs 2012</p> <ul style="list-style-type: none"> • The National Communications Commission Principles for Determining Whether Programs and Advertisements Are Separated 1990 (Last amended: 2012)
Thailand	<ul style="list-style-type: none"> • Consumer Protection Act 1979 • Copyright Act 1994 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
USA	<ul style="list-style-type: none"> • Federal Trade Commission Act 1914 (Last amended: 2006) • Federal Communications Commission (FCC) Consumer Guidelines and related regulations (Last accessed: 8 Jan 2014) • Communications Act 1934 • Cigarette Labeling and Advertising 1966 and Family Smoking Prevention and Tobacco Control Act 2009
Viet Nam	<ul style="list-style-type: none"> • Law on Advertisement 2012 • Law on Commerce 2005 • Law on Competition 2004 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)

1/ Information provided by Dr. Chandini Sankaran.

B2. List of public regulations affecting advertising in print media

Australia	<ul style="list-style-type: none"> • Tobacco Advertising Prohibition Act 1992 (Last amended: 2010) • Australian Competition & Consumer Commission (ACCC) Information on False or misleading claims (Last accessed: 13 Jan 2014) • Competition and Consumer Act 2010 • Copyright Act 1968 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Brunei ^{2/}	<ul style="list-style-type: none"> • Local Newspaper Act (Ch. 105) • Printing and Publications Act (Ch. 25) • Undesirable Publications Act (Ch. 25) • Syariah Penal Code Order 2013 • Tobacco Order 2005 • Tobacco (Prohibition in Certain Places) (Amendment) Regulations 2012 • Tobacco (Labelling) Amendment Regulations 2012 • Regulations Drafted by Prime Minister's Department
Canada	<ul style="list-style-type: none"> • Canada Competition Act 1985 • Quebec Consumer Protection Act (Last updated: 2013) • Consumer Product Safety Act 2010 (Last amended: 2011) • Ontario Consumer Protection Act 2002 (Last amended: 2013) • Copyright Act 1985 (Last amended: 2012) and Copyright Amendment Act 2012 • Tobacco Act 1997 (Last amended: 2010)
Chile ^{1/}	<ul style="list-style-type: none"> • Law No. 18.455 establishing Rules of Production, Processing and Marketing of

	<p>Ethyl Alcohols, Alcoholic Beverages and Vinegars (promulgated by Decree No. 78) (1985, 1999)</p> <ul style="list-style-type: none"> • Unfair Competition Act No. 20.169 (2007) • Law No. 19.496 on Consumer Protection (Last amended by Law No. 20543 of October 21, 2011) • Tobacco Act (2006, 2013) • Law 20105 Amending Law 19419 Regarding Tobacco Advertising & Consumption (2010) • Law on The Nutritional Composition of Foodstuffs and its Advertising (2013) • Chilean Food Code Proposed Amendment; Law No. 20.606 (2013) • Decree No. 1.876 approving Regulations for the National System for Control of Pharmaceutical Products, Food for Medical Use and Cosmetics (Last amended: 1999) • Law No. 20.555 amending Law No. 19.496 specifically the portion on protection of rights of consumers on financial matters of powers (2011) • Law No. 19.995 which establishes the general rules for the authorization, operation and oversight of casinos (2005)
China	<ul style="list-style-type: none"> • Advertisement Law of the People's Republic of China 1995 • Regulation on the Administration of Publishing 2002 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Hong Kong, China	<ul style="list-style-type: none"> • Copyright Ordinance 2007 • Trade Descriptions Ordinance (Cap. 362) 1980 (Last amended: 2013) • Control of Obscene and Indecent Articles Ordinance (Cap. 390) 1987 (Last version: 1997) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Indonesia	<ul style="list-style-type: none"> • 1999 Law on the Press
Japan	<ul style="list-style-type: none"> • Unfair Competition Prevention Act 1993 (Last amended: 2011) • Copyright Law (Last amended: 2012) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Korea	<ul style="list-style-type: none"> • Fair labelling and Advertising Act 1999 (Last amended: 2010) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Malaysia	<ul style="list-style-type: none"> • Printing Presses and Publications Act 1984 (Last amended: 2006) • Copyright Act 1987 (Last amended: 2006) • Trade Descriptions Act 2011
Mexico ^{1/}	<ul style="list-style-type: none"> • Federal Consumer Protection Law (Ley Federal de Protección al Consumidor) (1992, 2004) and its amendment (2011) • General Health Law on Advertising Amendment (2012) • The Regulation of the General Law on Tobacco Control (June 30, 2009) regulated the General Law on Tobacco Control (2008) • Article 43 of the Regulation of the Health Law Regarding Advertising
New Zealand	<ul style="list-style-type: none"> • Copyright Act 1994 (Last reprint: 2013)

	<ul style="list-style-type: none"> • Fair Trading Act 1986 (Last reprint: 2013) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Papua New Guinea	<ul style="list-style-type: none"> • General Code of Ethics for News Media (Last accessed: 8 Jan 2014) • Code of Advertising to Children (Last accessed: 8 Jan 2014)
Peru ^{1/}	<ul style="list-style-type: none"> • Legislative Decree No. 1044 of June 25, 2008 Approving the Law on Suppression of Unfair Competition • General Law for Prevention and Control of Tobacco Risks Law No. 28705 (2006, 2009, 2010) • Law on the Promotion of a Healthy Diet for Children and Adolescents (2013)
Philippines	<ul style="list-style-type: none"> • Intellectual Property Code of the Philippines 1997 • The Anti-Photo and Video Voyeurism Act 2009 • Anti-Child Pornography Act 2009 • Anti-Trafficking in Persons Act 2003 • The Consumer Act of the Philippines 1992 • Tobacco Regulation Act 2003 • Securities Regulation Code 2000 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Russia	<ul style="list-style-type: none"> • Federal Law on Advertising 2006
Singapore	<ul style="list-style-type: none"> • Copyright Act 1987 (Last revised: 2006) • Consumer Protection (Fair Trading) Act 2003 (Last revised: 2009) • Indecent Advertisements Act 1941 (Last revised: 1985) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Chinese Taipei	<ul style="list-style-type: none"> • Fair Trade Act 2011 • Tobacco and Alcohol Administration Law (Last amended: 2009)
Thailand	<ul style="list-style-type: none"> • Consumer Protection Act 1979 • Copyright Act 1994 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
USA	<ul style="list-style-type: none"> • Federal Trade Commission Act 1914 (Last amended: 2006) • Cigarette Labeling and Advertising 1966 and Family Smoking Prevention and Tobacco Control Act 2009
Viet Nam	<ul style="list-style-type: none"> • Law on Advertisement 2012 • Law on Commerce 2005 • Law on Competition 2004 • Press Law 1989 • Publication Law 2004 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)

1/ Information provided by Dr. Chandini Sankaran.

2/ Information provided by Dr. Ramanathan Sankaran.

B3. List of public regulations affecting advertising in online media

Australia	<ul style="list-style-type: none"> • Broadcasting Services Act 1992 (Last amended: 2011) • Australian Competition & Consumer Commission (ACCC) Information on False or misleading claims (Last accessed: 13 Jan 2014) • Competition and Consumer Act 2010 • Copyright Act 1968 (Last amended: 2013) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Spam Act 2003 (Last amended: 2012)
Brunei Darussalam	<ul style="list-style-type: none"> • Broadcasting Class License Notification 2001 • Broadcasting Act (Chapter 180) Internet Code of Practice Notification 2001
Canada	<ul style="list-style-type: none"> • Canada Competition Act 1985 (Last amended: 2010) • Quebec Consumer Protection Act (Last updated: 2013) • Consumer Product Safety Act 2010 (Last amended: 2011) • Ontario Consumer Protection Act 2002 (Last amended: 2013) • Copyright Act 1985 (Last amended: 2012) and Copyright Amendment Act 2012 • Tobacco Act 1997 (Last amended: 2010) • Anti Spam Law (An Act to Promote the Efficiency and Adaptability of the Canadian Economy by Regulating Certain Activities that Discourage Reliance on Electronic Means of Carrying Out Commercial Activities, and to Amend the Canadian Radio-television and Telecommunications 2010 (Last amended: 2011) • Electronic Commerce Protection Regulations (CRTC) 2012
Chile ¹⁷	<ul style="list-style-type: none"> • Law No. 18.455 establishing Rules of Production, Processing and Marketing of Ethyl Alcohols, Alcoholic Beverages and Vinegars (promulgated by Decree No. 78) (1985, 1999) • Unfair Competition Act No. 20.169 (2007) • Law No. 19.496 on Consumer Protection (Last amended by Law No. 20543 of October 21, 2011) • Tobacco Act (2006, 2013) • Law 20105 Amending Law 19419 Regarding Tobacco Advertising & Consumption (2010) • Law on The Nutritional Composition of Foodstuffs and its Advertising (2013) • Chilean Food Code Proposed Amendment; Law No. 20.606 (2013) • Decree No. 1.876 approving Regulations for the National System for Control of Pharmaceutical Products, Food for Medical Use and Cosmetics (Last amended: 1999) • Law No. 20.555 amending Law No. 19.496 specifically the portion on protection of rights of consumers on financial matters of powers (2011) • Law No. 19.995 which establishes the general rules for the authorization, operation and oversight of casinos (2005)
China	<ul style="list-style-type: none"> • Advertisement Law of the People's Republic of China 1995 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)

	<ul style="list-style-type: none"> • Notice of the State Administration of Radio, Film and Television on Strengthening Control of the Content of Audio and Video Programmes on the Internet 2009 • Measures for the Administration of Internet Content Provision 2000 • Regulations for the Administration of Audio-Video Programme Services on the Internet 2008
Hong Kong, China	<ul style="list-style-type: none"> • Copyright Ordinance (Cap. 528) 2007 • Trade Descriptions Ordinance (Cap. 362) 1980 (Last amended: 2013) • Control of Obscene and Indecent Articles Ordinance (Cap. 390) 1987 (Last version: 1997) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Indonesia	<ul style="list-style-type: none"> • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Electronic Information and Transactions 2008
Japan	<ul style="list-style-type: none"> • Unfair Competition Prevention Act 1993 (Last amended: 2011) • Copyright Law (Last amended: 2012) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Act on Development of an Environment that Provide Safe and Secure Internet Use for Young People 2008 (Last amended: 2009)
Korea	<ul style="list-style-type: none"> • Fair Labelling and Advertising Act 1999 (Last amended: 2010) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Law on Promotion of Use of Information Communications Network and Information Protection (Last amended: 2010)
Malaysia	<ul style="list-style-type: none"> • Communications and Multimedia Act 1998 (Last amended: 2006) • Copyright Act 1987 (Last amended: 2006) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Trade Descriptions Act 2011
Mexico ¹⁷	<ul style="list-style-type: none"> • Federal Consumer Protection Law (Ley Federal de Proteccion al Consumidor) (1992, 2004) and its amendment (2011) • General Health Law on Advertising Amendment (2012) • The Regulation of the General Law on Tobacco Control (June 30, 2009) regulated the General Law on Tobacco Control (2008) • Article 43 of the Regulation of the Health Law Regarding Advertising
New Zealand	<ul style="list-style-type: none"> • Copyright Act 1994 (Last reprint: 2013) • Copyright (New Technologies) Amendment Act 2008 (Last reprint: 2011) • Fair Trading Act 1986 (Last reprint: 2013) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Papua New Guinea	<ul style="list-style-type: none"> • Code of Advertising to Children (Last accessed: 20 Jan 2014)
Peru ¹⁷	<ul style="list-style-type: none"> • Legislative Decree No. 1044 of June 25, 2008 Approving the Law on Suppression of Unfair Competition

	<ul style="list-style-type: none"> • General Law for Prevention and Control of Tobacco Risks Law No. 28705 (2006, 2009, 2010) • Law on the Promotion of a Healthy Diet for Children and Adolescents (2013) • Anti-Spam Law (2005)
Philippines	<ul style="list-style-type: none"> • Intellectual Property Code of the Philippines 1997 • The Anti-Photo and Video Voyeurism Act 2009 • Anti-Child Pornography Act 2009 • Anti-Trafficking in Persons Act 2003 • The Consumer Act of the Philippines 1992 • Tobacco Regulation Act 2003 • Securities Regulation Code 2000 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Russia	<ul style="list-style-type: none"> • Federal Law on Advertising 2006
Singapore	<ul style="list-style-type: none"> • Broadcasting Act 1994 (Last amended: 2012) and Broadcasting (Class License) Notification (Revised edition 2004) • Copyright Act 1987 (Last revised: 2006) • Consumer Protection (Fair Trading) Act 2003 (Last revised: 2009) • Indecent Advertisements Act 1941 (Last revised: 1985) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Media Development Authority (MDA) Internet Code of Practice 1997
Chinese Taipei	<ul style="list-style-type: none"> • Fair Trade Act 2011 • Regulations for the Rating of Internet Content 2004 • Tobacco and Alcohol Administration Law (Last amended: 2009)
Thailand	<ul style="list-style-type: none"> • Consumer Protection Act 1979 • Copyright Act 1994 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Computer Crime Act 2007
USA	<ul style="list-style-type: none"> • Federal Trade Commission Act 1914 (Last amended: 2006) • Controlling the Assault of Non-Solicited Pornography and Marketing Act 2003 • Communications Act 1934 • Cigarette Labeling and Advertising 1966 and Family Smoking Prevention and Tobacco Control Act 2009
Viet Nam	<ul style="list-style-type: none"> • Law on Advertisement 2012 • Law on Commerce 2005 • Law on Competition 2004 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Decree No. 97 on the Management, Provision and Use of Internet Services and Electronic Information on the Internet (2008)

1/ Information provided by Dr. Chandini Sankaran.

B4. List of private regulations affecting advertising in broadcast media

Australia	<ul style="list-style-type: none"> • Commercial Television Industry Code of Practice 2010 • Commercial Radio Codes & Guidelines 2013 • Australian Association of National Advertisers (AANA) Code of Ethics 2012 • AANA Code for Advertising & Marketing Communications to Children 2009 • AANA Food & Beverages Advertising & Marketing Communications Code 2009 • AANA Environmental Claims in Advertising & Marketing Code 2009 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Alcohol Beverages Advertising Code (ABAC) 2012 • The Distilled Spirits Industry Council of Australia Inc. (DSICA) Statement of Responsible Practices for Alcohol Advertising and Marketing 2010
Canada	<ul style="list-style-type: none"> • Canadian Association of Broadcasters (CAB) Code of Ethics 2002 • CAB Violence Code (Last accessed: 7 Jan 2014) • Canadian Code of Advertising Standards 2013 • ASC The Broadcast Code for Advertising to Children 2010 • Advertising Standards Canada (ASC) Gender Portrayal Guidelines for Advertising (Last accessed: 7 Jan 2014)
Chile ^{1/}	<ul style="list-style-type: none"> • Chilean Code of Advertising Ethics 2013
Hong Kong, China	<ul style="list-style-type: none"> • The Association of Accredited Advertising Agencies of Hong Kong (HK4A) Code of Practices (Last accessed: 7 Jan 2014)
Indonesia	<ul style="list-style-type: none"> • Association of Advertising Agencies (PPPI) Standards for the Advertising Industry 2001 • Indonesia Advertising Council/Dewan Periklanan Indonesia (DPI) Codes and Standards for Advertising (Etika Pariwara Indonesia) 2007
Japan	<ul style="list-style-type: none"> • National Association of Commercial Broadcasters in Japan (NAB) Broadcasting Standards 2009 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Korea ^{2/}	<ul style="list-style-type: none"> • Deliberation standards of Korean Advertising Review Board (KARB)
Malaysia	<ul style="list-style-type: none"> • The Malaysian Communications and Multimedia Content Code Version 6 • Advertising Standards Authority Malaysia (ASAM) Malaysian Code of Advertising Practice 2008 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Mexico ^{1/}	<ul style="list-style-type: none"> • Communications Code of Conduct by the Communications Council (Consejo de la Comunicacion, AC), the Mexican Association for Advertising Agencies (Asociacion Mexicanade Agencias de Publicidad, AC) and the Marketing Communication Industry Confederation (Confederation de la Industria de la Comunicacion Mercadotecnica) • CONAR Code of Ethics (http://conar.org.mx/como_nos_regulamos.html) • Self-Regulation Code for Food and Non-alcoholic Beverages aimed at children by PABI (Autoregulacion de Publicidad de Alimentos y Bebidas No Alcoholicas dirigida al Publico Infantil) (2009)

	<ul style="list-style-type: none"> • Self-Regulation and Advertising Ethics of Cosmetic Products (COSMEP) (2009)
New Zealand	<ul style="list-style-type: none"> • Advertising Standards Authority (ASA) Advertising Codes of Practice 2013 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Peru ^{1/}	<ul style="list-style-type: none"> • CONAR Code of Advertising Ethics (2009)
Philippines	<ul style="list-style-type: none"> • 2007 Broadcast Code of the Philippines • AdBoard Standards of Trade Practices and Conduct in the Advertising Industry 2006 • Ad Standards Council Guidebook 2012 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Singapore	<ul style="list-style-type: none"> • Advertising Standards Authority of Singapore (ASAS) Singapore Code of Advertising Practice 2008 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Chinese Taipei	<ul style="list-style-type: none"> • Taipei Association of Advertising Agencies 4A Ethics (Last accessed: 25 Mar 2014)
Thailand ^{2/}	<ul style="list-style-type: none"> • Advertising Code of Ethics 2007
USA	<ul style="list-style-type: none"> • Children's Advertising Review Unit (CARU) Guidelines for Self-Regulatory Program for Children's Advertising 2009 • Council of Better Business Bureaus (CBBB) The Advertising Industry's Process of Voluntary Self-Regulation 2014

1/ Information provided by Dr. Chandini Sankaran.

2/ Information provided by Dr. Ramanathan Sankaran.

B5. List of private regulations affecting advertising in print media

Australia	<ul style="list-style-type: none"> • Publishers' Advertising Advisory Bureau (PAAB) Advertising Code of Practice (Last accessed: 3 Jan 2014) • PAAB Guiding Principle for Alcohol Beverage Advertising (Last accessed: 3 Jan 2014) • PAAB Guiding Principle for Advertising directed to Children (Last accessed: 3 Jan 2014) • Australian Association of National Advertisers (AANA) Code of Ethics 2012 • AANA Code for Advertising and Marketing Communications to Children 2009 • AANA Food & Beverages Advertising & Marketing Communications Code 2009 • AANA Environmental Claims in Advertising & Marketing Code 2009 • Australian Press Council Guideline on Advertorials (June 2005) • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Alcohol Beverages Advertising Code (ABAC) 2012 • The Distilled Spirits Industry Council of Australia Inc. (DSICA) Statement of Responsible Practices for Alcohol Advertising and Marketing 2010
Canada	<ul style="list-style-type: none"> • Canadian Code of Advertising Standards 2013

	<ul style="list-style-type: none"> Advertising Standards Canada (ASC) Gender Portrayal Guidelines for Advertising (Last accessed: 7 Jan 2014)
Chile ¹⁷	<ul style="list-style-type: none"> Chilean Code of Advertising Ethics
Hong Kong, China	<ul style="list-style-type: none"> The Association of Accredited Advertising Agencies of Hong Kong (HK4A) Code of Practices Hong Kong Press Council Journalists' Code of Professional Ethics 2000
Indonesia	<ul style="list-style-type: none"> Association of Advertising Agencies (PPPI) Standards for the Advertising Industry 2001 Indonesia Advertising Council/Dewan Periklanan Indonesia (DPI) Codes and Standards for Advertising (Etika Pariwisata Indonesia) 2007
Japan	<ul style="list-style-type: none"> Japan Newspaper Publishers and Editors Association Canon of Journalism (Last accessed: 13 Jan 2014) Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Korea ²⁷	<ul style="list-style-type: none"> Deliberation standards of Korean Advertising Review Board (KARB)
Malaysia	<ul style="list-style-type: none"> Advertising Standards Authority Malaysia (ASAM) Malaysian Code of Advertising Practice 2008 Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Mexico ¹⁷	<ul style="list-style-type: none"> Communications Code of Conduct by the Communications Council (Consejo de la Comunicacion, AC), the Mexican Association for Advertising Agencies (Asociacion Mexicanade Agencias de Publicidad, AC) and the Marketing Communication Industry Confederation (Confederation de la Industria de la Comunicacion Mercadotecnica) CONAR Code of Ethics (http://conar.org.mx/como_nos_regulamos.html) Self-Regulation Code for Food and Non-alcoholic Beverages aimed at children by PABI (Autoregulacion de Publicidad de Alimentos y Bebidas No Alcoholicos dirigida al Publico Infantil) (2009) Self-Regulation and Advertising Ethics of Cosmetic Products (COSMEP) (2009)
New Zealand	<ul style="list-style-type: none"> Advertising Standards Authority (ASA) Advertising Codes of Practice 2013 Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Peru ¹⁷	<ul style="list-style-type: none"> CONAR Code of Advertising Ethics (2009)
Philippines	<ul style="list-style-type: none"> AdBoard Standards of Trade Practices and Conduct in The Advertising Industry 2006 Ad Standards Council Guidebook 2012 Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Singapore	<ul style="list-style-type: none"> Advertising Standards Authority of Singapore (ASAS) Singapore Code of Advertising Practice 2008 Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Chinese Taipei	<ul style="list-style-type: none"> Taipei Association of Advertising Agencies 4A Ethics (Last accessed: 25 Mar 2014)
Thailand	<ul style="list-style-type: none"> Code of Ethics for members of the Press Council of Thailand 1997

USA	<ul style="list-style-type: none"> • Children's Advertising Review Unit (CARU) Guidelines for Self-Regulatory Program for Children's Advertising 2009 • Council of Better Business Bureaus (CBBB) The Advertising Industry's Process of Voluntary Self-Regulation 2014
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1/ Information provided by Dr. Chandini Sankaran.

2/ Information provided by Dr. Ramanathan Sankaran.

B6. List of private regulations affecting advertising in online media

Australia	<ul style="list-style-type: none"> • Australian Association of National Advertisers (AANA) Code of Ethics 2012 • AANA Code for Advertising and Marketing Communications to Children 2009 • AANA Food & Beverages Advertising & Marketing Communications Code 2009 • AANA Environmental Claims in Advertising & Marketing Code 2009 • Alcohol Beverages Advertising Code (ABAC) 2012 • ABAC Best Practice for Responsible Marketing of Alcohol Beverages in Digital Marketing 2013 • The Distilled Spirits Industry Council of Australia Inc. (DSICA) Statement of Responsible Practices for Alcohol Advertising and Marketing 2010 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • Interactive Advertising Bureau (IAB) Australia Online Video Advertising Guidelines 2011 • Australian Best Practice Guideline for Online Behavioural Advertising 2011 • IAB Australia Social Advertising Best Practice Guidelines 2013
Canada	<ul style="list-style-type: none"> • Advertising Standards Canada (ASC) Gender Portrayal Guidelines for Advertising (Last accessed: 7 Jan 2014) • Canadian Code of Advertising Standards 2013
Chile ^{1/}	<ul style="list-style-type: none"> • Chilean Code of Advertising Ethics (2013) • Self-Regulation Code of Advertising IAB Chile (2012)
Hong Kong, China	<ul style="list-style-type: none"> • The Association of Accredited Advertising Agencies of Hong Kong (HK4A) Code of Practices (Last accessed: 7 Jan 2014)
Indonesia	<ul style="list-style-type: none"> • Association of Advertising Agencies (PPPI) Standards for the Advertising Industry 2001 • Indonesia Advertising Council/Dewan Periklanan Indonesia (DPI) Codes and Standards for Advertising (Etika Pariwara Indonesia) 2007
Japan	<ul style="list-style-type: none"> • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Korea ^{2/}	<ul style="list-style-type: none"> • Deliberation standards of Korean Advertising Review Board (KARB)
Malaysia	<ul style="list-style-type: none"> • Advertising Standards Authority Malaysia (ASAM) Malaysian Code of Advertising Practice 2008 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012) • The Malaysian Communications and Multimedia Content Code Version 6
Mexico ^{1/}	<ul style="list-style-type: none"> • Communications Code of Conduct by the Communications Council (Consejo de la Comunicacion, AC), the Mexican Association for Advertising Agencies

	<p>(Asociacion Mexicanade Agencias de Publicidad, AC) and the Marketing Communication Industry Confederation (Confederation de la Industria de la Comunicacion Mercadotecnica)</p> <ul style="list-style-type: none"> • CONAR Code of Ethics (http://conar.org.mx/como_nos_regulamos.html) • Self-Regulation Code for Food and Non-alcoholic Beverages aimed at children by PABI (Autoregulacion de Publicidad de Alimentos y Bebidas No Alcoholicos dirigida al Publico Infantil) (2009) • Self-Regulation and Advertising Ethics of Cosmetic Products (COSMEP) (2009)
New Zealand	<ul style="list-style-type: none"> • Advertising Standards Authority (ASA) Advertising Codes of Practice 2013 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Peru ^{1/}	<ul style="list-style-type: none"> • CONAR Code of Advertising Ethics (2009)
Philippines	<ul style="list-style-type: none"> • AdBoard Standards of Trade Practices and Conduct in The Advertising Industry 2006 • Ad Standards Council Guidebook 2012 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Singapore	<ul style="list-style-type: none"> • Advertising Standards Authority of Singapore (ASAS) Singapore Code of Advertising Practice 2008 • Regulations mentioned by Baker & McKenzie: Guide to Media and Content Regulation in Asia Pacific (2012)
Chinese Taipei	<ul style="list-style-type: none"> • Taipei Association of Advertising Agencies 4A Ethics (Last accessed: 25 Mar 2014)
Thailand ^{2/}	<ul style="list-style-type: none"> • Advertising Code of Ethics 2007
USA	<ul style="list-style-type: none"> • Children's Advertising Review Unit (CARU) Guidelines for Self-Regulatory Program for Children's Advertising 2009 • Council of Better Business Bureaus (CBBB) The Advertising Industry's Process of Voluntary Self-Regulation 2014 • CBBB The Electronic Retailing Self-Regulation Program Policy & Procedures 2012 • American Association of Advertising Agencies (AAAA), Association of National Advertisers (ANA), CBBB, Direct Marketing Association (DMA) and Interactive Advertising Bureau (IAB) Self-Regulatory Principles for Online Behavioural Advertising 2009

1/ Information provided by Dr. Chandini Sankaran.

2/ Information provided by Dr. Ramanathan Sankaran.

C. Survey questionnaire²⁰

Part A

Section 1: Views/opinions about advertising regulations

Please circle/highlight ONE response, according to: 1 – Strongly Disagree; 2- Disagree; 3 – Neutral; 4 – Agree; 5 – Strongly Agree)

a) Many of the advertising laws and regulations in my country are outmoded and/or ineffective

1 2 3 4 5

If you agree/strongly agree, please elaborate on which laws are outmoded

If you disagree/strongly disagree, please elaborate _____

b) Existing advertising laws and regulations do not cater for developments in information and communication technology

1 2 3 4 5

If you agree/ strongly agree, please explain what new laws/regulations need to be introduced

If you disagree/strongly disagree, please elaborate _____

c) There is an urgent need to revamp existing advertising laws and regulations

1 2 3 4 5

If you agree/strongly agree, please explain which laws need to be revamped and who should undertake this, government or industry or both?

²⁰ This questionnaire was developed by Dr. Ramanathan Sankaran and taken from PSU Project Report (unpublished).

If you disagree/strongly disagree, please elaborate _____

d) There are too many advertising laws and regulations in my country

1

2

3

4

5

If you agree/strongly agree, please give examples

If you disagree/strongly disagree, please elaborate _____

Section 2: Suggestions regarding problems, issues and recommendations

What are your views and suggestions about the following gaps in the advertising system in your economy that can become barriers for regional trade?

(a) Lack of knowledge about laws and regulations by industry players in your country

(b) Lack of understanding of international standards and best practices in advertising regulations at the national level

(c) Low level of cooperation among government regulators, advertising industry representatives and key industry players in your country

(d) Low level of initiatives to gain industry cooperation in your country

(e) What are your recommendations regarding capacity-building in advertising regulation and self-regulation

Any other comments or suggestions

Part B

Section 1: Please evaluate the level of self-regulation for the advertising industry in your country according to the following:

(1: Strongly Disagree; 2: Disagree; 3: Neutral; 4: Agree; 5: Strongly Agree)

a) I am satisfied with the standards of advertising practice and self-regulation in my country

- 1 2 3 4 5

Elaboration _____

b) The self-regulatory organization (SRO) in my country is effective

- 1 2 3 4 5

Elaboration _____

c) There is an effective Code of Advertising Practice in my country

- 1 2 3 4 5

Elaboration _____

d) The SRO provides copy advice to advertisers

- 1 2 3 4 5

Elaboration _____

e) Consumer complaints are handled either by the government regulator or by the SRO

- 1 2 3 4 5

Elaboration _____

f) There are avenues for submitting and handling online consumer complaints

- 1 2 3 4 5

Elaboration _____

g) Decisions regarding consumer complaints are published

- 1 2 3 4 5

Elaboration _____

h) Self-regulatory codes of advertising practice are drafted openly

- 1 2 3 4 5

Elaboration _____

i) There is a high level of consultation among regulators, advertisers, media owners and SRO representatives in my country

- 1 2 3 4 5

Elaboration _____

Section 2: Please elaborate on the following areas of self-regulation in your country and give specific examples wherever relevant.

1. Does your SRO follow/adopt any international codes of standards for advertising?

	YES		NO	
	Mainly	Some Parts	Not at All	Some Part
ICC Code				
EASA Code				
Any other code				

If your answer is “yes,” please elaborate.

If your answer “no,” please elaborate.

2. What areas of the advertising system need further development?

3. What assistance is needed for further development of advertising in your economy?
