

ICAS, the International Council for Advertising Self-Regulation, is a global platform that promotes responsible advertising through effective advertising self-regulation. It brings together a network of Self-Regulatory Organizations (SROs) from Africa, Asia-Pacific, Europe and North & South America as well as global associations representing the advertising industry (WFA, IAA, EPC, WOO) and experts on global advertising and marketing laws (GALA). Advertising Self-Regulation has been successful for many decades and is being established in a growing number of countries. It is defined by a fruitful collaboration of advertising industry members in developing robust advertising codes of conduct at national level and by funding SROs, which then independently monitor and enforce these codes. This type of effective Self-Regulation is supported by national governments and international and supranational bodies such as the UN, the OECD, APEC and EU Institutions.

## Framework for a Sustainable Global Partnership between Digital Platforms and Advertising Self-Regulatory Organizations

This framework has been developed by the International Council for Advertising Self-Regulation (ICAS) in recognition of the fact that a strong and sustainable partnership between digital platforms and Self-Regulatory Organizations (SROs) is now needed more than ever. The framework lays the foundation of what we, the members of ICAS, consider to be vital for a healthy digital advertising landscape – a landscape that will benefit global brands and advertisers, advertising agencies, as well as media channels and platforms that are funded by advertising and therefore greatly depend on continued trust in digital ads.

### We strongly believe:

- that we all – SROs, the advertising industry and the platforms – have the same interest at heart: to make sure that advertising is responsible, that consumers are protected from irresponsible marketing communications and that trust in advertising is maintained;
- that trust in digital advertising can only be maintained by a strong and effective self-regulatory system that complements the law and reduces the need for restrictive regulations and government enforcement;
- that a collaboration between platforms and SROs is vital for the future of a free, ad-funded media landscape that is safe for both consumers and brands.

We have seen lately an increase in partnerships between platforms and SROs. In 2020, Google became the first global digital company to join EASA<sup>1</sup>, a significant development that shows the company's strong commitment to advertising self-regulation across Europe, which ICAS has warmly welcomed. In this spirit, the following framework has been drafted to foster sustainable and strong collaborations across the whole globe.

### For a successful partnership between digital platforms and SROs to collaborate for a safe and trusted advertising ecosystem online, we encourage platforms:

- 1-to adopt a formal policy recognizing at global level the role of national SROs and committing to support their activities at local level;
- 2-to join SROs in ICAS and EASA memberships at local level and provide adequate and sustainable funding to them. The financial contribution will be agreed at local level but needs to be fair and proportionate. It would entail either paying the applicable membership/partnership fee or, where SROs have a levy model, to pay the calculated levy or synonymous fee. Typically, the contribution should reflect digital ad spend figures in the local market, i.e., the market share of the platform, taking into account the growing importance of digital advertising and thus resources and investments needed by SROs to effectively enforce advertising standards online in close collaboration with platforms;
- 3-to commit to collaborate with SROs:
  - as advertisers: in ensuring that their own advertisements comply with self-regulatory advertising codes and standards;
  - as an ad platform and/or media: in assisting the enforcement of advertising standards for all marketing communications disseminated via the platform, especially in terms of compliance with SRO decisions;<sup>2</sup>
  - if applicable, in supporting SROs with the use of information and technology to enhance consumer protection – including automation and AI – to develop and tailor provision of services in a relevant manner;<sup>3</sup>
  - to the extent possible, partnering with SROs to improve internal platform-owned advertising controls (see footnote 3).

<sup>1</sup> The European Advertising Standards Alliance (EASA) is the European sister organization of ICAS which represents and coordinates the advertising self-regulatory systems across Europe. Its membership is composed of 28 independent advertising self-regulatory organizations (SROs), which enforce advertising self-regulatory codes of conduct at national level, and 14 stakeholders representing the advertising ecosystem (advertisers, agencies, media and digital platforms).

<sup>2</sup> For example, in cases where the ad appeared on a social media platform and the advertiser can either not be identified by the SRO or is refusing to comply with the SRO adjudication. This should apply on a best effort basis, irrespective of whether or not there is also a formal legal proceeding against the advertiser.

<sup>3</sup> The policies and programs developed by platforms to take down an impressive number of bad ads every day are essential to the trust of consumers and regulators in online advertising. We believe that such programs, even if they are successful, would benefit from a closer association with the broader and collective control systems managed by SROs, which are well established and officially recognized. Conversely, the work of SROs, both in terms of monitoring bad ads and in handling consumer complaints, could benefit from a better understanding and adaptation of the methods used by platforms in their fight against inappropriate, illegal and/or illegitimate ads.

## Benefits of a Sustainable Partnership with SROs for Digital Platforms and for a Healthy Digital Advertising Landscape

### Safeguarding a common interest and protecting consumers and brands

ICAS' objective is to ensure responsible advertising and a high level of consumer protection. This is clearly aligned with the interest of platforms and their users. The activities of the ICAS self-regulatory network will enhance platform-driven self-regulatory efforts in the area of marketing communications and help make platforms and the general advertising ecosystem a more trusted and a safer place for advertisers and consumers.

### Shaping together a strong digital advertising self-regulatory system

Platforms would become fully integrated in a system that is actively shaping the self-regulatory framework that applies at national or regional level to advertising on all media. Platforms would not be subject to unilaterally imposed rules, but would become part of a network that shapes the rules together through dialogue and consensus.<sup>4</sup> The existing self-regulatory system was developed and is supported by a significant part of the advertising industry and recognized as providing independent, credible legitimacy<sup>5</sup> to industry regulation and would be a vital addition to company-led initiatives.

### Enhancing trust with the entire advertising industry

Platforms would become an integral part of national, regional and international discussions with the wider advertising ecosystem. This integration will improve the relationship and trust between platforms and brand owners, publishers and the communication industry at a local as well as global level.

### Increasing credibility with regulators

The advertising self-regulatory system complements the law at local level, and SROs often collaborate with ministries, consumer authorities, local NGOs and relevant stakeholders to ensure better consumer protection. Joining this recognized and independent self-regulatory system can increase regulators' trust in platforms if they are seen to be part of a responsible industry. SROs are strong advocates for advertising self-regulation at local level and can help prevent restrictive legislation<sup>6</sup> for the benefit of platforms and the advertising ecosystem.

### Creating an enhanced self-regulatory system

If the platforms with their advanced technology, resources and global reach unite forces with SROs, which bring expertise in enforcing advertising standards, credible and impartial dispute resolution, and the support of a large part of the advertising ecosystem, they could undoubtedly create together an enhanced self-regulatory system and make platforms a trusted, safe and thriving space for brands and platform users.

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<sup>4</sup> As an SRO member/supporter, platform representatives would have the rights to elect and be elected for representative positions and to hold office in the Board of Directors of the Associations, to act as a representative when such right is conferred to them, to inform and be informed of the proceedings and status of the Association and of the formalities and issues affecting them. In addition, they would have the right to participate in the financial and administrative management of the Association in accordance with legal and statutory standards. Platforms can also express potential controversies to the competent bodies of the Association so that, if they are deemed appropriate, they may undertake the corresponding actions.

<sup>5</sup> SROs are recognized to provide the 'legitimacy input' through the broad participation and collective decision making, the 'legitimacy throughput' through the procedural requisites and the 'legitimacy output' by their effective measures and results.

<sup>6</sup> By minimizing the need of its development or adoption.