

Asia-Pacific Economic Cooperation

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

Public-Private Dialogue (PPD) on Advertising Standards in the Digital Economy

Puerto Varas, Chile | August 2019

APEC Committee on Trade and Investment

November 2019



APEC Project: CTI 05 2019T – Public Private Dialogue (PPD) on Advertising Standards in the Digital Economy

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APEC#219-CT-04.7





CTI Public-Private Dialogue on Advertising Standards in the Digital Economy August 23, 2019. Puerto Varas, Chile



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I. Introduction

On 23 August 2019, the "Public Private Dialogue (PPD) on Advertising Standards in the Digital Economy" was held in Puerto Varas, Chile. It was proposed by Peruthrough The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI) and co-sponsored by Chile, China, Japan, Mexico, New Zealand and United States. Speakers and participants came from 14 APEC member economies and 1 non-APEC member economy (Spain), with a total of 46 attendees. Participants came from the public and private sector and were involved in issues related to digital advertising.

The dialogue sought to exchange experiences on advertising in the digital economy and to address the challenges of digital marketing for a fair competition, focusing on developing advertising standards for electronic commerce, considering digital platforms, data and competition policy.

The dialogue also aimed to discuss, among private and public sectors, advertising policies in APEC members in the digital economy, and identifying its benefits and costs.

II. Background

This project was designed to develop a set of recommendations aiming to ensure efficiency and reliability of digital advertising to avoid regulatory policies that would affect their competitiveness.

Accordingly, this project responds to the stated in The Voluntary Standards and Regulatory Approaches in Advertising in APEC Economies (Issues Paper No. 5): "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". It is also worth to mention 2017 Leaders' Declaration on Creating New Drivers for Regional Economic Integration: "We will work together to realize the potential of the internet and digital economy, including through appropriate regulatory and policy frameworks, and taking into account fair competition to encourage investment and innovation (...)".

Finally, this project was elaborated in order to contribute to one of the priorities for APEC Chile 2019: "Digital Society".

III. Discussion and Possible Next Steps

The PPD provided an opportunity to share experiences regarding advertising standards applied by APEC economies in the Digital Economy. It was divided in 5 sessions, each one with a specific approach.

1. Digital Economy: Innovation and the new digital markets

This session focused on emerging digital practices, online advertising in the digital economy and how companies are changing the way to advertise their goods and services.

<u>"Keeping Pace with Emerging Digital Advertising Practices: The Federal Trade</u> <u>Commission's Perspective"</u>

Ms Laura SULLIVAN - Senior Attorney of the Division of Advertising Practices of the Federal Trade Commission of the United States.

- Misleading representations of ads are likely to affect consumers' decisions or conduct regarding the advertised product or the advertisement, including causing consumers to give greater credence to advertising claims or to interact with advertising content with which they otherwise would not have interacted.
- Unfair and deceptive billing practices may violate the law by misrepresenting the price consumers can expect to pay for their products or services, for example hotel rooms.
- Online hotel reservation sites should include in the quoted total price any unavoidable and mandatory fees, such as resort fees, that consumers will be charged to stay at the hotel. The most prominent figure for consumers should be the total inclusive estimate.

"Self-regulation an effective tool to support competition and consumer protection on line"

Ms Laura BRETT - Vice President of the National Advertising for Better Business Bureau National Programs of the United States.

- The process for advertising self-regulation is the following:
 - Cases initiated by the National Advertising Division (NAD) or a competitor.
 - Request substantiation for advertising.
 - Review evidence and meet with parties.
 - Issue published decisions which results in voluntary compliance and guidance for business.
- In digital advertising, issues must be analysed following two general rules:
 - Consumers should know when they are viewing advertising.
 - Advertising content must be truthful, accurate and not misleading.
 - To know if we are in front of advertising, two questions can be made:
 - Is it a commercial or promotional message?
 - Is there a connection between the endorser and the product being marketed that is not reasonably anticipated by consumers?
 If yes, disclosure is required, whether advertising in traditional or digital
 - media.

"Digital marketing essential for policy teams"

Mr Rodolfo LEON - Executive Director of National Association of Advertisers (CONAR) of Peru.

- Digital marketing challenges advertisers must safeguard accountability compliance throughout the supply chain.

- It is difficult for average consumer to accurately interpret how their information is being collected and used.

2. Challenges facing competition in the digital age: digital advertising

This session focused on identifying the potential risks consumers face in the new advertising and marketing practices in the digital economy such as: delivering responsible advertising, misleading advertising practices, ad identification, paid endorsements, advertising targeted toward children, etc.

"Competitive advertising practices and the impact on consumers"

Mr Nicholas HEYS - Deputy General Manager of Enforcement Coordination Division of the Australian Competition and Consumer Commission.

- The assessment of the role and impact of reviews and the use of patterns of consumers is important.
- In order to set industry standards, a set of recommendations could be shared.
- It is important to alert consumers to key indicators and industry practices.
- The Australian Competition & Consumer Commission will take a range of enforcement actions against businesses that don't comply. It also will penalize, educate and seek broader compliance across the industry.

"Influencers in the era of trust"

Mr Cristian GARCIA - Director of the National Council of Advertising Self-Regulation (CONAR) of Chile.

- The role of influencers: trust and transparency are key when acting as a bridge between the consumer and the brand.
- Some recommendations:
 - All commercial communication must be clearly identifiable as such.
 - Individualized commercial messages to a consumer should clearly indicate in their header and content.
 - When necessary, the advertiser responsible for the communication must be clearly identifiable in the advertising.
 - Commercial content of a social network site or profile under the control of an advertiser must be clearly indicated and observe the rules of commercial behavior accepted in those networks.
 - There should be a clear difference between a commercial post and a noncommercial one. The commercial linkage between an influencer and a brand has to be clear.
 - In case of "gift exchanges" the influencer's positive message must be honest.

"Presentation of Comparative Study: Best Practices for Influencers Marketing from APEC & Non-APEC economies Guidelines (draft working paper)"

Mr Ricardo MAGUIÑA – Executive Director of National Council of Advertising Self-Regulation (CONAR) of Peru.

- The European Advertising Standards Alliance (EASA) has compiled the best practices from European Self-Regulatory Organizations (SROs) addressing the following:
 - The definition of an influencer includes editorial control and payment.
 - Disclosure of commercial intent of the influencer's message should be appropriate and appear instantly.
 - It is recommended to address the responsibilities and obligations of all parties concerned (advertisers and influencers).
 - Role of SROs in awareness-raising.
- Most applied best practices:
 - The definition of an influencer includes 3 components: (i) sale purpose; (ii) payment; and (iii) content control.
 - Ways of disclosure: warning description and "hashtag only".
 - A proposal for guidelines could develop objective parameters that fill the interpretive gaps or resolve gray areas of the regulatory and self-regulatory framework as well as problems encountered in the application.
 - Next steps: Best practices influencers adherents' program.

3. How to improve consumers' confidence in digital economy since regulation, self-regulation and compliance policies.

This session offered many perspectives, from the public and private sectors, on mechanisms to generate consumer confidence in the digital economy. It involved the presentation of cases that exemplify the performance of both sectors in terms of consumer protection and online advertising. Speakers also shared best practices implemented and products developed by APEC economies for the development of good practices and compliance policies.

"Consumers confidence in digital economy since compliance policies"

Mr Jean Pierre COUCHOT - National Deputy Director of the National Consumer Service (SERNAC - Chile).

- Principles to promote confidence:
 - Golden rules: disclosure must be timely, and must be clear and conspicuous (not misleading, unsubstantiated and not unfair).
 - Transparency: Visible and precise information and truthful about the identity of the supplier (mail, phone, address).
 - Regarding the good or services: (i) price: clear and complete; (ii) final price (including taxes and all other applicable charges, renewals); (iii) characteristics: brand, availability, manufacturer, restrictions and contraindications; and (iv) delivery conditions: times and schedules, territory coverage.
- Consumer Protection requirements:
 - Informed consent: consent is formed through the acceptance of the offer by the unequivocal manifestation of will by the consumer.
 - Faithful and timely fulfillment of the contract carried-out.

- Chile's situation. Influencers and companies:
 - Must disclose clearly and properly if they have an economic or family relationship with the brand.
 - Cannot assume that followers know about the business relationship with brands.
 - Must inform properly in a visible place of the publication: #Sponsored, #PaidAdvertising or #Advertising.
 - Cannot avoid reporting on the "Show More" option (YouTube).
 - Must avoid ambiguous disclosures or the disclosing of information in a different language.
 - In live broadcasts or videos, disclosure must be shown at the beginning of playback.
- X-Ray Electronic Commerce:
 - The analysis took into consideration: Privacy and data security, level of information available in the operations, payment mechanism, post-sale service and claims proceedings.
 - Results: 41% of the companies do not inform the number of available units; only 29,9% inform the available units via a virtual counter; no company inform the daily price variation history and 71% of companies admits that annuls a sale because lack of stock.
- Recommendations to achieve consumer confidence in E-commerce:
 - o Prevent unfair business and advertising practices.
 - o Simple disclosure of online terms and conditions.
 - Reliable systems for payments and transaction confirmation.
 - o Adequate protection means for data and privacy.
 - Access to mechanisms to dispute resolution.
 - Reliable rating and review mechanism.
 - Availability of digital comparison tools.
 - Promoting self-regulation/soft law.
 - Understanding that consumer protection is a mean to foster consumer trust.

"Threats and opportunities on e-commerce and digital marketing"

Ms Karla ÁVILA - General Director of the National Council of Advertising Self-Regulation (CONAR - Mexico).

- Global challenges: privacy concerns; constant technological innovation such as artificial intelligence (AI), virtual reality (VR) and blockchain; regulatory threats; "Fake news" understood as the lack of trust in media; Ad fraud and issues around viewability; Ad blockers and rise of transnational digital platforms.
- Build a self-regulated model for alcohol e-commerce: best practices for consumer's protection, such as:
 - Responsible sales: actions to avoid e-commerce as a back door to let vulnerable group access to alcohol.
 - Tackle illicit trade: Non-tax paid products that are the source of all types of illicit (contraband, counterfeit, etc.).

- Compliance regulations: Provide guidance to e-commerce channels to proactively comply with spirits regulations (Federal, State, etc.).
- Keys for building a self-regulated e-commerce model for consumer's protection: protect vulnerable population, prevent binge consumption and compliance regulations (taxes, health).
- Resources: <u>publicly available resources</u>, <u>global SRO database & factbook</u> and <u>influencer guidelines</u>: European best practice.
- Publicly available resources: The International Council for Advertising Self-Regulation (ICAS) website offers key resources on advertising self-regulation at global level:
 - o A glossary of terms.
 - Frequently Asked Questions (FAQ).
 - A document library with reference documents on global advertising standards.
 - An online database with key facts & figures on Self-Regulatory Organizations (SROs) across the world.
 - A Guide to set up a Self-Regulatory Organization, etc.
- Global SRO database & factbook of Advertising Self-regulatory organizations 2018, ICAS publication.
- Influencer guidelines: European best practice: EASA, ICAS' member and sister organization in Europe, has compiled best practices from European SROs addressing: the definition of an influencer (editorial control & compensation), principles of disclosure, responsibility of the influencer vs. the advertiser and the role of SROs in awareness-raising.
- Some actions to start: Diagnose, benchmark, establish networking groups, develop sectorial strategies, implement sectorial strategies, evaluate, inform (all the stakeholders), promote co-regulation systems and improve constantly.

"Improving consumer's confidence in digital economy. Confianza Online & AUTOCONTROL"

Ms Marta AYED - Digital Development Director of AUTOCONTROL (Spain).

- Spanish SRO *AUTOCONTROL*: advertisers, agencies, media and industry associations gathered.
- It has been has appointed by 21 Sectoral Associations to monitor and enforce their sectoral codes. More than 3,500 companies indirectly committed to complying with Jury adjudications.
- AUTOCONTROL main activities: previous advice, processing of claims and other services.
- Confianza Online Trust Mark:
 - Created by AUTOCONTROL and Adigital in 2003, it is the Seal of quality on the Internet, leader in Spain and present in more than 2.300 digital platforms (1.800 companies). Provides transparency, security and confidence in online shopping and digital advertising.

- It is based on a Code of Conduct that includes rules on ecommerce B2C, digital advertising, data and minor protection and an out-of-court Complaints system (centralized system for claims resolution).
- o In order to gain the trust mark, companies must go through an evaluation.
- It is useful for consumer and companies, users can find out if the entity is a member by "clicking" the trust mark and companies can show the trust mark on their website, newsletter, apps, social networks, etc.
- Ecommerce Europe Trustmark certifies that Spanish ecommerce adhered to *Confianza* Online complies with a common set of rules in all economies, a Code of Conduct, a better protection for consumers and merchants and European complaints handling in case of disputes.

4. Digital marketing: best practices in private data, advertising, and e-commerce.

In this session experts generated ideas for an APEC draft of recommendations to promote voluntary self-regulation and alignment standards for advertising in electronic commerce that can be driven forward over the next years.

<u>"Self-regulation and Social Media: US Federal Trade Commission and International (OECD) Guidance</u>"

Ms Stacy FEUER - Assistant Director of the International Consumer Protection, Federal Trade Commission (FTC – United States).

- Specific context on encouraging self-regulation: what interplay between regulators and self-regulators should look like.
- APEC work and the role of government in terms of encouraging self-regulatory actions:
- 2014 APEC CTI Report. Beijing Action Agenda: A self-regulation system that applies advertising standards under industry auspices is an important complement to government regulation and enforcement.
- United States experience: work closely with SRO. Same direction to protect consumers.
- 2015 APEC CTI Report 2015: What the role of governments can do in terms in of encouraging self-regulatory actions:
 - Encourage Self-Regulatory Action.
 - Provide Advice.
 - Support Compliance.
 - Promote Multi-stakeholder Dialogue.
 - Promote Effective Programs.
 - Recognize Successful Programs.
- The importance in a framework of having Intergovernmental High-Level Principles:

Some internationally sources on consumer protection:

• UN: Guidelines for Consumer Protection (1985, 2015 updated to take account e-commerce):

- Paragraph 31. Member States should, within their own national context, encourage the formulation and implementation by businesses, in cooperation with consumer organizations, of codes of marketing and other business practices to ensure adequate consumer protection. Voluntary agreements may also be established jointly by businesses, consumer organizations and other interested parties. These codes should receive adequate publicity.
- OECD: Consumer Protection in E-commerce OECD Recommendation (1999, 2016 updated to take account digital transformation):
 - Paragraph 11. Businesses should comply with any express or implied representations they make about their adherence to industry selfregulatory codes or programmes, privacy notices or any other policies or practices relating to their transactions with consumers.
 - Paragraph 30. When a business publicises its membership in any relevant self-regulatory programme, business association, dispute resolution organisation or other body, the business should provide sufficient information to enable consumers to easily contact such body. Businesses should provide consumers with easy methods to verify that membership, access the relevant codes and practices of the organisation, and take advantage of any dispute resolution mechanisms offered by the organisation.
- There is already a recognition of high self-regulation fix into and overall consumer protection system and starts to layout some criteria for how business that use self-regulation should behave towards consumers.
- OECD Good Practice Guides:
 - Good Practice Guide on Online Advertising. Protecting Consumers in E-Commerce. OECD Digital Economy Papers: it involves misleading marketing practices, ad identification, endorsements, protection of children and vulnerable consumers.
 - How to put the principles into action.
- International Consumer Protection and Enforcement Network (ICPEN) Guides:
 - o ICPEN Guidelines for Review Administrators.
 - o ICPEN Guidelines for Traders and Marketing Professionals.
 - o ICPEN Guidelines for Digital Influencers.
- Issue: too many guidelines.
- Colombia, Chile and Peru are working on guidelines, which is very useful for governments.
- An example of an effective collaboration: FTC SROs.

<u>"Broad adaptable standards support truthful and transparent digital advertising:</u> <u>self-regulation provides guidance for next steps</u>"

Ms Laura BRETT - Vice President of the National Advertising for Better Business Bureau National Programs (BBBNP – United States).

- Broad adaptable standards support truthful and transparent digital advertising: Self-regulation provides guidance for next steps.

- Consistent General Standards for United States Advertising Self-Regulation:
 - General Standard advertising claims are truthful, accurate and not misleading.
 - Advertising in all media subject to the same standard.
 - Decisions provide guidance across marketplace and industries.
- Independent: Self-regulation is administered through a trusted 3rd party with a mission to promote marketplace trust.
- Transparent: Decisions are public reported in a press release and published at our website.
- Consistent: Decisions serve as education, precedent and support. Decisions are guided by and consistent with regulatory guidance.
- Enforcement: Government Support and Recognition The FTC acknowledges the National Advertising Division of the Council of Better Business Bureaus for its referral in this case.
- Advantages of Self-Regulation:
 - Responsive and Efficient: Adapts readily to change.
 - Provides education to industry.
 - Reduces government regulation.
 - Preserves fair play among competitors.
- Independent Self-Regulation Is Effective:
 - Children's advertising subject to voluntary standards for over 45 years enforced through self-regulation.
 - Dietary supplement industry funds self-regulatory review of dietary supplement advertising for over 10 years.
 - Direct selling industry funded a self-regulatory program for reviewing both advertising claims and income claims this year.
- Case Study: The Digital Advertising Alliance (DAA)
 - The DAA establishes and enforces responsible privacy practices across the industry for online interest-based advertising (IBA, sometimes called "behavioral" or "targeted" advertising).
 - To fulfil its mission, the DAA issued a set of principles in 2009 setting out baseline privacy standards for IBA, known as the Digital Advertising Alliance's Self-Regulatory Principles for Online Behavioral Advertising.
 - The DAA works with its constituent organizations to update the principles regularly and to maintain industry-developed consumer choice tools.
- The DAA Self-Regulatory Principles:
 - Provide consumers with timely notices about IBA, disclosures about IBA practices, and information about consumers' options for opting out of data collection.
 - Protect certain types of data (e.g., kids' data, certain medical and financial data, precise location data) and some eligibility determinations (e.g., credit) requiring consumers to opt-in to have that data collected.

- The current roster of Principles is: Self-Regulatory Principles for Online Behavioral Advertising, Self-Regulatory Principles for Multi-Site Data, "Mobile Guidance" and "Cross-Device Guidance".
- How does it work:
 - The Accountability Program monitors the marketplace for companies that aren't compliant with the Principles (websites, mobile apps, ad tech companies, Internet Service Providers (ISPs).
 - Where it suspects non-compliance, the Accountability Program formally inquiries into the practices of the company at issue.
 - The Accountability Program works with the companies to help them modify their websites and/or apps by recommending changes and providing feedback on companies' draft modifications.
- o Results:
 - Independently enforces the DAA Principles: monitoring websites and mobiles apps for compliance; bringing formal compliance actions; processing consumer complaints and funded by the DAA but administered by an independent third party.
 - Transparently issues its decisions with a public press release.
 - Consistently enforces broad general principles agreed upon by the industry which provides widespread guidance for best practices.
- o Enforcement:
 - Companies that fail to respond or decline to comply with selfregulatory recommendations the Accountability Program may refer them to an agency or office for review.
 - Only two referrals have been issued, voluntary compliance is almost 100%.
- Five essentials for effective self-regulation: Independence, Transparency, Consistent Standards, Enforcement/Government, Support and Funding.

<u>"Privacy, Data Protection and Advertising. AUTOCONTROL the Spanish SRO</u>" Ms Marta AYED - Digital Development Director of AUTOCONTROL (Spain)

- The basics about *AUTOCONTROL*: Copy Advice[®], Advertising Jury and SR services for digital advertising.
- AUTOCONTROL-Fenin®TrustMark
 - Launched in June 2019 along with the Spanish Federation of Healthcare Technology Companies (*Federación Española de Empresas de Tecnología Sanitaria - FENIN* in Spanish).
 - It helps patients, healthcare professionals and public in general to identify those advertising campaigns of healthcare products that have obtained positive Copy Advice[®] from the legal department of AUTOCONTROL.
 - The trust mark does not exclude -when legally required- the obtaining of the required authorization of the publicity by the competent administrative authority.
 - The trust mark cannot be used as a product or company endorsement.
- SR services for digital advertising:

- Traditionally, the contribution as SRO has been to implement and enforce ad standards applicable to ad contents.
- In digital era, consumers are also worried about their privacy and how the advertising industry uses their personal data online.
- With the General Data Protection Regulation (GDPR), the EU establishes a new international benchmark for data protection.
- They try to help companies to comply with the rules and principles of data protection currently in place and to implement and enforce ad data protection industry standards to increase public trust and credibility in advertising.
- SR services for digital advertising:
 - Services to help companies to comply with the privacy and data protection regulation: Data Advice[®], Web Advice[®] and Cookie Advice[®].
 - Collaboration Agreement with the Spanish Data Protection Agency 2013.
 - Regular publications on privacy and data protection regulations & SR relevant for the advertising sector.
 - Guidelines to help companies in the advertising sector to implement the GRPD.
 - Mediation Online System for data protection and telecom.
 - Practical training programmes for professionals.
- SR services for digital advertising:
 - The Spanish Data Protection Act has publicly recognized the SRO's useful compliance and enforcement duties in article 38 ('Codes of Conduct').
 - The Spanish Data Protection Agency has signed a Memorandum of Understanding with AUTOCONTROL in which it recognizes the mediation system for telecommunication companies (operational from January 2018) and AUTOCONTROL's suitability to deal with the relevant complaints.
 - During 2018, more than 350 Data Advice[®], Cookie Advice[®] and consultations have been provided to members and non-members from the advertising sector regarding data protection issues. These services have been requested by companies from different industries, such as telecommunication, automobile, finance and banking, food and retail.
 - To set up and implement a Mediation Online System to handle consumer complaints regarding data protection, advertising and contracts in the telecom sector.
 - The mediation system was promoted by telecom companies that represent 92% of mobile voice broadband services in Spain: Movistar, Orange, Vodafone, Masmóvil, Tuenti, O2, Amena, Jazztel, Simyo, ONO, Happymóvil, Llamaya and Pepephone.
 - o During the first year, the mediation unit has handled:
 - More than 240 complaints and 950 queries.
 - The rate of agreements adopted through the up-to-30 days online mediation reached 82%.
 - 91% of mediation users were very or highly satisfied by the performance provided by AUTOCONTROL and 97% of them considered it very agile.

5. Workshop discussion

Delegates discussed the conclusions obtained from the previous sessions in order to develop recommendations on online advertising in the digital economy for APEC Economies. Also, they shared their experiences and recommendations of advertising standards for APEC Economies.

IV. Final conclusions

- Digital economy has presented new global challenges such us: privacy concerns; constant technological innovation such as artificial intelligence (AI), virtual reality (VR) and blockchain; regulatory threats; "Fake news" understood as the lack of trust in media; Ad fraud and issues around viewability; Ad blockers and rise of transnational digital platforms.
- Innovation in the digital market has developed new forms of online advertising.
 Accordingly, in digital advertising, issues must be analyzed following two general rules:
 - Consumers should know when they are under the presence of an advertisement.
 - Advertising content must be truthful, accurate and not misleading.
- For influencers, trust and transparency are key when acting as a bridge between the consumer and the brand. In this regard, all commercial communication must be clearly identifiable as such.
- Advantages of self-Regulation: Responsive and efficient (adapts readily to change), provides education to industry, reduces government over-regulation and preserves fair play among competitors. For example, a tool implemented by self-regulation: trust mark.
- A trust mark is the seal of quality on the Internet that advertisers could use in order to provide transparency, security and confidence in online shopping and digital advertising. It is useful for consumer and companies, since users can find out if the entity is a member by identifying the trust mark on the companies' websites and social networks.
- It is important to consider the framework of implementing the Intergovernmental High-Level Principles established at the UN Guidelines for Consumer Protection and the OECD Consumer Protection in E-commerce Recommendation, both sources for ad companies and governments to act regarding advertising activity on e-commerce that have been updated taking into account digital transformation.
- In that sense, there is already a recognition of high self-regulation fix into and overall consumer protection system and it is beginning to layout some criteria for how business that use self-regulation should behave towards consumers.

- The opportunities on e-commerce and digital marketing for a better advertising practice are: diagnose, develop and implement sector strategies; inform (all stakeholders); promote coregulation systems and constantly improve.
- Participants considered that what is needed to be done by APEC is the following:
 - To implement a collaborative work between the private and public sector.
 - To continue the discussion and activities on this field among the APEC economies.
 - To support economies' projects concerning data protection, consumer protection and self-regulation issues.
- The elaboration and application of a "Guide of Recommendations on Advertising Standards in the Digital Economy" will constitute a basis for public and private sector actions in advertising activity. It will take into account the tools developed by SROs, public agencies and international organizations.
- It is important to enhance the positive impact to continue strengthening the communication and relation between private and public sector, since self-regulation and regulation must work together in order to achieve better practices on online advertising considering technology development and the new challenges on e-commerce in order to ensure consumers' welfare.
- Finally, as a result of the public-private partnership on aligning advertising standards; business growth, greater regional trade and investment in goods and services, non-tariff barrier reduction and economic growth are achieved.

Annex 1

AGENDA

PUBLIC-PRIVATE DIALOGUE (PPD) ON ADVERTISING STANDARDS IN THE DIGITAL ECONOMY (CTI 05 2019T)

23 August 2019

Puerto Varas, Chile

08:30-08:50 **Registration and arrival**

08:50-09:00 Opening remarks and welcome

Abelardo Aramayo

Project Overseer

Technical Secretary of the Commission on Unfair Competition of The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI – Peru)

09:00-10:10 Session 1. Digital Economy: Innovation and the new digital markets

This session should focus on emerging digital practices, online advertising in the digital economy and how companies are changing the way to advertise their goods and services.

<u>Speaker 1</u>: Laura Sullivan, Senior Attorney, Division of Advertising Practices, Federal Trade Commission (FTC - United States)

"Keeping Pace with Emerging Digital Advertising Practices: The Federal Trade Commission's Perspective"

<u>Speaker 2</u>: Laura Brett, Vice President, National Advertising for Better Business Bureau National Programs (BBBNP – United States)

"Self-regulation an effective tool to support competition and consumer protection on line"

<u>Speaker 3:</u> Rodolfo Leon, Executive Director, National Association of Advertisers (ANDA – Peru)

"Digital marketing essentials for policy teams"

10:10-11:20 Session 2. The challenges facing competition in the digital age: digital advertising

This session will look at the new advertising and marketing practices in the digital economy, which includes delivering responsible advertising, misleading advertising practices, ad identification, paid endorsements, adverting targeted toward children, etc. This will help to identify several potential consumer risks from online advertising and data privacy and security issues.

<u>Speaker 1:</u> Nicholas Heys, Deputy General Manager, Enforcement Coordination Division of the Australian Competition and Consumer Commission (ACCC -Australia)

"Competitive advertising practices and the impact on consumers"

<u>Speaker 2</u>: Cristian García, Director, National Council of Advertising Self-Regulation (CONAR - Chile)

"Influencers in the era of trust"

<u>Speaker 3</u>: Ricardo Maguiña, Executive Director, National Council of Advertising Self-Regulation (CONAR - Peru)

"Presentation of Comparative Study: Best Practices for Influencers Marketing from APEC & Non-APEC economies Guidelines (draft working paper)"

11:20-11:40 Coffee Break & Official Photo

11:40-12:50 Session 3. How to improve consumers' confidence in digital economy since regulation, self-regulation and compliance policies.

This session aims to present various perspectives (public and private) on the mechanisms to generate consumer confidence in the digital economy. In that sense, it will involve the presentation of cases that exemplify the performance of both sectors in terms of consumer protection and online advertising, as well as the share of best practices implemented, or information products developed by the APEC economies for the development of good practices and compliance policies.

<u>Speaker 1:</u> Jean Pierre Couchot, National Deputy Director, National Consumer Service (SERNAC - Chile)

"Consumers confidence in digital economy since compliance policies"

<u>Speaker 2:</u> Karla Ávila, General Director, National Council of Advertising Self-Regulation (CONAR - Mexico)

"Threats and opportunities on e-commerce and digital marketing"

Speaker 3: Marta Ayed, Digital Development Director, AUTOCONTROL (Spain)

"Improving consumer's confidence in digital economy. Confianza Online & AUTOCONTROL"

- 12:50-14:50 Lunch
- 14:50-16:00 Session 4. Digital marketing: best practices in private data, advertising, and ecommerce.

This session is intended to generate ideas for an APEC draft of recommendations to promote voluntary self-regulation and alignment standards for advertising in electronic commerce that can be driven forward over the next years. The draft will propose a timetable and will outline possible policy tools to help economies reach the recommendations. It will also, provide tips on key aspects of online advertising and highlights some of the main benefits and risks for consumers.

<u>Speaker 1</u>: Stacy Feuer, Assistant Director, International Consumer Protection, Federal Trade Commission (FTC – United States)

"Self-regulation and Social Media: US Federal Trade Commission and International (OECD) Guidance"

Speaker 2: Laura Brett, Vice President, National Advertising for Better Business Bureau National Programs (BBBNP – United States)

"Broad adaptable standards support truthful and transparent digital advertising: self-regulation provides guidance for next steps"

Speaker 3: Marta Ayed, Digital Development Director, AUTOCONTROL (Spain)

"Privacy, Data Protection and Advertising. AUTOCONTROL the Spanish SRO"

Coffee Break

16:00-16:20 Session 5. Workshop discussion

The final session looks forward to share and discuss the conclusions obtained from the previous sessions in order to develop recommendations on online advertising in the digital economy for APEC Economies.

Questions and answer of the workshop will be developed.

All participants will share their experiences and recommendations of advertising standards for APEC Economies.

Rosa Giles, Legal Officer, Commission on Unfair Competition, The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI – Peru) will conduct the discussion.

Ricardo Maguiña CONAR, Executive Director, National Council of Advertising Self-Regulation (CONAR - Peru) will provide comments and conclusions.

Closing remarks

17:00-17:20

16:20-17:00

Abelardo Aramayo

Project Overseer

Technical Secretary of the Commission on Unfair Competition of The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI – Peru)

Annex 2

LIST OF ATTENDEES

	Role	Economy	Title	Full name	Job tittle	Organization
1	Project Overseer	PE	Mr	Abelardo Aramayo	Commission on Unfair Competition Technical Secretary	The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI-Peru)
2	Speaker	AUS	Mr	Nicholas Heys	Enforcement Coordination Division Deputy General Manager	Australian Competition and Consumer Commission (ACCC - Australia)
3	Speaker	CHL	Mr	Jean Pierre Couchot	National Deputy Director	National Consumer Service (SERNAC)
4	Speaker	CHL	Mr	Cristián García	Director	National Council of Advertising Self- Regulation (CONAR-Chile)
5	Speaker	ESP	Ms	Marta Ayed	Digital Development Director	AUTOCONTROL (Advertising Self-Regulation Association)
6	Speaker	MEX	Ms	Karla Ávila	General Director	National Council of Advertising Self- Regulation (CONAR-Mexico)
7	Speaker	PE	Mr	Ricardo Maguiña	Executive Director	National Council of Advertising Self- Regulation (CONAR- Peru)
8	Speaker	PE	Ms	Rosa Giles	Commission on Unfair Competition Legal Officer	The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI-Peru)
9	Speaker	PE	Mr	Rodolfo Leon	Executive Director	National Association of Advertisers (ANDA- Peru)

10	Speaker	US	Ms	Stacy Feuer	International Consumer Protection Assistant Director	Federal Trade Commission (FTC-United States)
11	Speaker	US	Ms	Laura Sullivan	Division of Advertising Practices Senior Attorney	Federal Trade Commission (FTC-United States)
12	Speaker	US	Ms	Laura Brett	National Advertising Division Vice President	Better Business Bureau National Programs (BBBNP - United States)
13	Active participant	PRC	Ms	Zheng Juaner	Researcher	China National Institute of Standardization
14	Active participant	CHL	Mr	Carlos Ignacio Astete	Executive Director	National Council of Advertising Self- Regulation (CONAR-Chile)
15	Active participant	CHL	Ms	Lina Maritza del Carmen Diaz		National Consumer Service (SERNAC)
16	Active participant	CHL	Ms	Daniela Gil		National Consumer Service (SERNAC)
17	Active participant	CHL	Mr	Lucas del Villar		National Consumer Service (SERNAC)
18	Active participant	INA	Ms	Titin Resmiatin	Head of Sub Directorate	National Standardization Agency
19	Active participant	INA	Ms	Amarillis Rahmita	Trade Analyst	Ministry of Trade
20	Active participant	ROK	Ms	Yoorim Pyun	Deputy Director of E-Commerce Division	Korea Fair Trade Commission
21	Active participant	ROK	Mr	Kim Dae Jung		Korea Consumer Agency

22	Active participant	ROK	Mr	Jang Minho		Korea Consumer Agency
23	Active participant	MAS	Mr	Ahmad Assakir Ahmad	Assistant Director	Department of Standards of Malaysia
24	Active participant	MAS	Mr	Izzat Baihaqi Bin Abu	Assistant Director	Ministry of International Trade and Industry of Malaysia
25	Active participant	MEX	Ms	María Julia Escalante	International Trade of Services and Investment Director	Ministry of Economy
26	Active participant	MEX	Ms	Carolina González	Mercadotecnia Director	National Council of Advertising Self- Regulation (CONAR-Mexico)
27	Active participant	PNG	Mr	Paulus Ain	Commissioner	Independent Consumer and Competition Commission
28	Active participant	PNG	Mr	Russell Hangatt	Executive Manager	Independent Consumer and Competition Commission
29	Active participant	PE	Mr	Antonio Palmisano	Commission on Unfair Competition Executive	The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI-Peru)
30	Active participant	PE	Ms	Andrea Vega	Commission on Unfair Competition Legal Officer	The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI-Peru)
31	Active participant	PE	Ms	Wendy Ledesma	National Consumer Protection Authority Director	The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI-Peru)

32	Active participant	PE	Mr	Jose Carlos Bellota	National Consumer Protection Authority Lawyer	The National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI-Peru)
33	Active participant	PE	Mr	Walter Ibarra	APEC General Coordination Economist	Ministry of Foreign Trade and Tourism
34	Active participant	PE	Mr	Julio Chan	APEC General Coordination General Coordinator	Ministry of Foreign Trade and Tourism
35	Active participant	PH	Ms	Mary Jean Pacheco	Assistant Secretary	Department of Trade and Industry
36	Active participant	РН	Mr	Domingo Tolentino Jr	Director	DTI - CPAB
37	Active participant	THA	Ms	Soontaree Songserm	Computer Technical Officer	Ministry of Digital Economy and Society
38	Active participant	THA	Mr	Narongdej Watcharapasorn	Computer Technical Officer	Ministry of Digital Economy and Society
39	Active participant	VN	Ms	Thi Ngoc Mai HOANG	Deputy Director	Ministry of Industry and Trade
40	Active participant	VN	Mr	Anh Tuan PHAM	Official	Ministry of Industry and Trade
41	Active participant	PNG	Mr	Newman Nipson	Executive Officer to Vice Minister	Department of Treasury
42	Active participant	THA	Mr	Wanawit Ahkuputra	International Affairs Senior Advisor	Ministry of Digital Economy and Society
43	Active participant	THA	Ms	Kanyarat Rompocapong		Department of Trade and Negotiations
44	Active participant	THA	Ms	Tawinan Chantanachulaka		Department of Trade and Negotiations

4	Active participant	СТ	Ms	Yi Hsuan Chen	Associate Trade Officer	Bureau of Foreign Trade Ministry of Economic Affairs
4	Active participant	US	Ms	Jillian Deluna		Office of the US Trade Representative