

Best Practice Principles for environmental claims in automotive marketing to consumers



Jointly endorsed by LowCVP, SMMT and ISBA

Background and scope

These Best Practice Principles ('the Principles') have been developed as a framework and a starting reference point for consumers, the automotive industry and its marketers in the sphere of marketing communications for passenger cars and light commercial vehicles (up to 3.5 tonnes). The Principles are not intended to supersede existing legislation, the mandatory Advertising Codes and government guidance which shall still be the key sources for ensuring that advertising and marketing are fully compliant in respect of environmental claims.

These Principles shall apply to all areas of marketing covered by the rules and guidance listed below. In addition, they will extend to in-showroom advertising, marketers' editorial content, press releases, corporate reports and marketing information on corporate websites (eg a vehicle manufacturer's website). These areas are not currently covered by the Advertising Codes.

It is believed that these Principles will contribute to the Integrated Approach¹ by increasing consumer understanding of the environmental performance of vehicles. Consumers will benefit from the receipt of information which industry openly certifies as being based on genuine environmental benefits. The automotive industry, in adopting these Principles, will observe the spirit of them and support implementation in good faith.

The key sources governing the communication of environmental claims are in the legislation/codes/guidance listed below and further reference should be made to these for their detailed provisions:

- European whole vehicle type approval.
- CO₂ and tailpipe emission standards.
- The End of Life Vehicles Directive.
- The CO₂ Labelling Directive and specific to the UK, the colour coded CO₂ labels for new and used cars, which are industry voluntary initiatives.
- The Passenger Car (Fuel consumption and CO₂ Emissions Information) Regulations 2001 (as amended) and related Vehicle Certification Agency (VCA) Guidance Notes Practice and other such guides on labelling.
- International standards such as ISO 14021 on environmental labelling.

1. Integrated Approach is a sharing of responsibility between stakeholders, such as the automotive industry, fuel supply industry, government – at local, national and European levels – and, of key importance, consumers.

- The Consumer Protection from Unfair Trading Regulations 2008.
- The Business Protection from Misleading Marketing Regulations 2008.
- The new UK Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing (new CAP Code) effective from 1 September 2010.
- The new UK Code of Broadcast Advertising (new BCAP Code) effective from 1 September 2010.
- Defra Green Claims Code 1998 (updated 2000) and Green Claims: Practical Guidance 2003.
- Advertising and Marketing Communication Practice Consolidated International Chamber of Commerce (ICC) Code – August 2006.

Additional information on the most relevant legislation of these is set out in the Appendix.

Endorsement organisations

LowCVP (Low Carbon Vehicle Partnership) has joined with the representatives of UK industry to establish these best practice principles. The LowCVP is an action and advisory group, established in 2003 to take a lead in accelerating the shift to low carbon vehicles and fuels in the UK and to help ensure that UK business can benefit from that shift.

SMMT (The Society of Motor Manufacturers and Traders Limited) is the leading trade association for the UK automotive industry; it represents companies ranging from vehicle manufacturers, component and material suppliers to power train providers and design engineers.

ISBA (Incorporated Society of British Advertisers Limited) is the representative body for British advertisers, covering all sectors of the economy and the public sector.

The Best Practice Principles

1. General principles and definitions

- a) Marketing communications should be legal, decent, honest and truthful.
- b) The same good standards of commercial practices should apply throughout the marketing chain.
- c) Consumers should be able to access information to make informed purchases with ease.
- d) An environmental claim means information appearing in marketing communications which can be taken as saying something about its environmental aspects.²
- e) A marketing communication includes advertising as well as other techniques, such as promotions, sponsorships, and direct marketing, and should be interpreted broadly to mean any form of communication produced directly by or on behalf of marketers intended primarily to promote products or to influence consumer behaviour.³

2. Environmental principles

Environmental claims should:

- a) Be specific.
- b) Not mislead.
- c) Be capable of substantiation.
- d) Be transparent, unambiguous and clearly expressed.
- e) Follow a common-sense approach.

2. DEFRA Green Claims Code.

3. Consolidated ICC Code of Advertising and Marketing Communication Practice.

3. Accessibility of information and plain language

- a) Consumer information should be easily accessible. For instance, where vehicle manufacturers provide CO₂ emissions or fuel consumption information on their websites, they should ensure it is available within the minimum practical number of clicks.
- b) Plain language should be adopted and terms defined so consumers can understand technical data.
- c) It should be clear whether environmental claims apply to the vehicle, to particular components or technology, or to the vehicle manufacturer.
- d) Where environmental claims infer benefits that conform to the law or to industry standards, this must be stated.
- e) Environmental claims should not infer benefits that relate to aspects that would not normally be relevant to that vehicle/component/technology, or corporate practice.
- f) Environmental claims should not imply that they are universally accepted if there is a significant division of informed or scientific opinion.
- g) All environmental claims should be reassessed regularly and withdrawn if they are no longer capable of substantiation.

4. Comparisons

- a) Data quoted in comparisons should be clearly defined and adhere to commonly adopted current industry standards. The following are examples of commonly used measures, but are not an exhaustive list of the units used: carbon dioxide (CO₂) is usually measured in grammes/km; fuel economy in litres/100 km or miles per gallon; and regulated emissions referenced to Euro standards, eg Euro 6.
- b) If only one drive cycle is quoted for fuel economy or CO₂ performance in advertising headlines, the combined cycle data should be used in preference to urban or extra-urban cycle data.⁴
- c) Comparisons must compare like with like and make it clear whether they relate to a model range, specific vehicle or attribute.

5. Imagery and symbols

- a) **Use of “green” imagery**
The use of “green” imagery, such as featuring trees, vegetation or the colour green, should convey a level of environmental performance that is proportionate to the wording of the environmental claim and should be used with great care.
- b) **Use of “green” symbols and endorsements**
Third party endorsements, “green” logos and kite marks must be depicted clearly; must only be used with the consent of the relevant third party and in such manner that does not mislead.

⁴ See Appendix for legal requirements to quote all three test cycles (urban, extra-urban and combined) in promotional literature.

Appendix

The Advertising Codes

The UK Advertising Codes of Practice are not voluntary. The British Code of Advertising, Sales Promotion and Direct Marketing (CAP Code) and the Broadcast Codes (BCAP Code) consisting of the Radio Advertising Standards Code and the Television Advertising Standards Code are independently adjudicated on by the Advertising Standards Authority. Advertisements which breach the Codes, must be removed and are prohibited from further use. ASA may refer matters to the Office of Fair Trading (non-broadcast) or Ofcom (broadcast). The Codes cover traditional advertising on TV and radio, posters, print, direct marketing, promotions and paid-for advertising online. Matters of taste and decency are also included in the BCAP and CAP Codes. Automotive advertisers are strongly advised to read the BCAP and CAP Codes in full, not just those parts that refer to specific car advertising or environmental issues. The Codes and a fuller explanation of the regulation of advertising in the UK can be found at: www.asa.org.uk/asa/codes. The New Advertising Codes, which will replace the existing CAP and BCAP Codes on 1 September 2010, can be found at www.cap.org.uk/the-Codes/New-Advertising-Codes.aspx. Additionally, there are broader obligations within the Consumer Protection from Unfair Trading Regulations 2008 (CPRs), which implements the Unfair Commercial Practices Directive.

Vehicle Certification Agency (VCA): fuel consumption and CO₂ information requirements

The EU requires information on CO₂ to be provided by motor manufacturers and retailers in point-of-sale material, brochures and print advertising. In the UK the VCA has responsibility for interpretation and enforcement of the CO₂ Labelling Directive. Car dealers are required to have a CO₂ label showing the fuel consumption and CO₂ emissions of each different new model on display, either on or near the vehicle. Dealers are also required to display a poster in paper or as an electronic display, in a prominent position, showing the fuel consumption and CO₂ emissions for all new passenger car models displayed, or offered for sale through that particular showroom. In addition to the above, the Directive also requires manufacturers to include fuel consumption and CO₂ emissions data in all brochures and printed advertisements, provided that the literature relates to a specific model of car. See the VCA Guidance at: www.vca.gov.uk/fcb/enforcement-on-adver.asp

A new colour-coded environment label for all new cars began appearing in UK car showrooms from July 2005, with most vehicle manufacturers having adopted the new label from 1 September 2005. The colour-coded banding system for the label took into consideration the six Vehicle Excise Duty (VED) bandings, from 'A to F'. The label has been revised to take into account the changes in VED bands. From November 2009 industry is also introducing the label on cars up to two years old on a voluntary basis.

Non sector-specific environmental and green claims guidance

The UK government drew up the Green Claims Code in 1998 (revised 2000) supported by the Confederation of British Industry, British Retail Consortium, local government Trading Standards and the British Standards Institute. In 2003, Defra produced Green Claims: Practical Guidance (www.defra.gov.uk/environment/business/marketing/glc/claims.htm) that builds on the earlier Green Claims Code, which agreed a set of easy-to-follow principles about how to make a good environmental claim. The Guidance is designed to help businesses apply these principles in practice, by providing further information and examples. Anyone using the guidance should not need to refer to the code. Defra's guidance sits alongside the advertising codes and draws heavily on the International Organisation for Standardisation's ISO14021 'Environmental labelling'.

The Defra Consultation on Draft Updated Guidance on Green Claims, published on 23 March 2010, can be found at: www.defra.gov.uk/corporate/consult/green-claims/index.htm

See also ISBA guidance and a set of principles covering environmental claims at: www.isba.org.uk/isba/issues/sustainability

The Chartered Institute of Public Relations has also produced Best Practice Guidelines for Environmental Sustainability Communications (Sept 2007), see www.cipr.co.uk/environmentalcomms