

## Reding backs changes to EU advertising rules



**Viviane Reding has defended her proposals to allow the widespread use of product placement advertising in EU television programmes.**

Speaking after a meeting of EU culture ministers in Brussels, the media commissioner said she welcomed the compromise agreement put forward by the Finnish EU presidency and backed by a majority of member states.

“I am very happy. The main objectives of the commission’s proposals have been maintained,” she said.

Reding had originally proposed allowing product placement – the advertising of products within European drama, films, sport and light entertainment programmes – in order to raise additional revenues for EU television producers.

This money would then be ploughed back into developing more EU cultural content.

But opposition from some member states – notably Germany – prompted the Finns to come up with an alternative proposal.

While Reding wanted countries that did not agree with product placement to impose national bans, the Finns proposed the opposite: a blanket ban across the EU, with national governments opting out if they wish to permit product placement.

The Luxembourg commissioner said she welcomed the compromise, because “the same end is achieved” as with her original proposal.

Germany had argued that allowing the widespread use of product placement would distort the market, as public broadcasters would effectively be allowed to take a share of advertising revenues, potentially damaging commercial broadcasters.

All countries agreed that product placement should not be allowed in TV news, current affairs or children’s programmes, and that any programmes carrying product placement will have to be preceded by an announcement to that effect.

Susanna Huovinen, Finland’s minister of communications, said that the agreement would not mean more advertising than before, but would afford greater protection for consumers.

“Product placement is already a reality in the EU – what we want to do is to create new rules for something that already exists to ensure that the same principles are applied in every country.”

Huovinen said she was pleased that the Finnish compromise had been widely accepted, and that it had stuck closely to the original commission proposals.

New rules on the frequency of advertising breaks were agreed – although Reding’s proposal to allow ads every 35 minutes in programmes over 90 minutes in length was changed to every 30 minutes; current rules impose a 45-minute gap between adverts.

And in shorter programmes, producers can choose when to introduce their advertising breaks, although no more than 12 minutes per hour of adverts will be allowed – maintaining the existing levels.

Huovinen said that the debate on the proposed changes to the Television without Frontiers Directive had been lengthy, in particular on the country of origin principle.

Some countries wanted to scrap the principle, which allows service providers to broadcast into member states other than their own provided they meet their own national standards, arguing that this undermined tougher consumer protection measures in some countries.

In the end, countries agreed that broadcasters based in one country and broadcasting mainly or solely into another should cooperate with regulators in the target country to ensure that rules were not being circumvented, Huovinen said.

There was widespread agreement on the commission’s proposal to extend the scope of the directive to new forms of broadcasting, including online and via mobile phones.

Reding said that so-called ‘pull’ services, such as video-on-demand, would be covered by only the bare minimum of regulation at EU level, leaving greater scope for self- or co-regulation that would not damage burgeoning technologies.

And more traditional ‘push’ services, such as traditional TV, will be subject to a lighter regulatory burden under the new rules – although provisions on the protection of minors and against incitement and racial hatred will remain as tough as ever.

Huovinen said that the agreement between ministers was a good starting point for Germany – which is expected to conclude the negotiations in the spring – once the European parliament has voted on the proposals in December.

Reding, meanwhile, said she hoped that MEPs would follow the proposals, and called on them to reintroduce her original proposal for independent media regulators in each member state, a move backed only by two member states at Monday’s meeting.