

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 (e.g. a vehicle manufacturer's website) and other non-paid-for space under the advertiser's control (eg social networking sites).

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 Guidance Notes (VCA, see web link in Appendix) and other guides on labelling. Note the 2013 update to these Regulations, the main implication of which is to bring into scope cars that do not emit CO₂, hydrocarbons or carbon monoxide; such as pure electric and hydrogen fuel cell cars

- International standards such as ISO 14021 on environmental labelling
- The Consumer Protection from Unfair Trading Regulations 2008.
- The Business Protection from Misleading Marketing Regulations 2008
- The UK Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing (CAP Code) effective from 1 September 2010 (as updated)
- The UK Code of Broadcast Advertising BCAP Code) effective from 1 September 2010 (as updated)
- Defra Green Claims Code 1998 (updated 2000) and Green Claims Guidance 2011
- Advertising and Marketing Communication Practice Consolidated International Chamber of Commerce (ICC) Code – 2011.

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, which was established in 2003, is a public-private partnership working to accelerate a sustainable shift to lower carbon vehicles and fuels and create opportunities for UK business. Over 170 member-organisations from diverse backgrounds are engaged including automotive and fuel supply chains, vehicle users, academics, environment groups and others. Visit the LowCVP homepage for more information: www.lowcvp.org.uk

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. Visit the SMMT homepage for more information: www.smmt.co.uk

ISBA (Incorporated Society of British Advertisers Limited) is the representative body for British Advertisers, covering all sectors of the economy and the public sector. Visit the ISBA homepage and cars pages for more information: www.isba.org.uk and www.isba.org.uk/issues/cars

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.

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 technologies, to the vehicle manufacturer or phases of the life-cycle e.g. 'zero emission' claims should refer to 'whilst driving' or similar.
- 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 and comparability information

- 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 standards⁴, e.g. 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. For plug-in hybrid vehicles, the equivalent drive cycle is the weighted combined cycle. It should be clear the weighted combined performance data relies upon both fuel and electricity e.g. MPG and miles/kWh (kilowatt hours), and that the electricity is mains sourced.⁵
- c) Comparisons must compare like with like and make it clear whether they relate to a model range, specific vehicle or attribute.
- d) When referring to regulated emissions in comparisons, the Euro standard for all vehicles compared should be stated. Test data for regulated emissions should not be used inappropriately.

4. See Appendix for definition of Euro Standard.

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

- e) When using MPG figures to make efficiency claims, it should be ensured that they are sufficiently explained, for example by stating ‘MPG figures are official EU test figures for comparative purposes and real driving results may vary’ or similar.
- f) Electric-only range figures should be sufficiently explained, for example by stating ‘range figures are official EU test figures for comparative purposes and real driving results may vary’ or similar.

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.

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 (ASA). Advertisements which breach the Codes must be removed and are prohibited from further use. The ASA may refer matters to the Office of Fair Trading (non-broadcast) or Ofcom (broadcast). The Codes cover traditional advertising on television and radio, posters, print, direct marketing, promotions and paid-for advertising online. On 1 March 2011, the ASA’s online remit was extended to cover marketing communications on organisations’ own websites and in other non-paid-for space under their control. The CAP Code now applies in full to marketing messages online, including the rules relating to misleading advertising. 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: <http://www.cap.org.uk/The-Codes.aspx>. The register of CAP and BCAP Code updates can be accessed here: <http://www.cap.org.uk/Advertising-Codes/Relevant-legislation-and-register-of-Code-changes.aspx>. Additionally, there are broader obligations within the Consumer Protection from Unfair Trading Regulations 2008 (CPRs), which implements the Unfair Commercial Practices Directive.

Fuel efficiency and MPG figures: In June 2013, following an ASA adjudication, CAP issued advice relating to the use of MPG figures, this can be accessed here: <http://www.cap.org.uk/Advice-Training-on-the-rules/Advice-Online-Database/Motoring-Fuel-efficiency-and-MPG-figures.aspx>

Electric vehicles: In October 2013, CAP issued advice on energy efficiency claims for electric and plug-in hybrid vehicles; this can be accessed here: <http://www.cap.org.uk/Advice-Training-on-the-rules/Advice-Online-Database/Motoring-Electric-Vehicles.aspx>

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 colour-coded environmental label for all new cars was introduced in UK car showrooms from 2005, The colour-coded banding system for the label takes into consideration the 13 Vehicle Excise Duty (VED) bandings, from 'A to M'. The label can be found here: www.dft.gov.uk/vca/fcb/point-of-sale-pos-so.asp From November 2009, the industry introduced a similar label on cars up to two years old on a voluntary basis, which is now delivered by HPI and Experian.

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 2011 Defra produced updated Green Claims guidance (<http://www.defra.gov.uk/publications/2011/06/03/pb13453-green-claims-guidance/>) 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 Chartered Institute of Public Relations has also produced Best Practice Guidelines for Environmental Sustainability Communications (Sept 2007), see <http://www.cipr.co.uk/content/environmental-sustainability-guidelines>

Euro standard

European emission standards (Euro standards) set limits for exhaust emissions from new vehicles sold in EU member states. Emissions regulated include: nitrogen oxides (NO_x), total hydrocarbon (THC), non-methane hydrocarbons (NMHC), carbon monoxide (CO) and particulate matter (PM). Compliance is based on a standardised test-cycle. New cars and vans must already comply with Euro 5. For more information visit: http://ec.europa.eu/enterprise/sectors/automotive/environment/euro5/index_en.htm

Euro 6 becomes mandatory for the first vehicle types from September 2014.