

Comparative study concerning the impact of control measures on the televisual advertising markets in the EU Member States and certain other countries

## **LATVIA**

## **LEGAL REPORT**

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## **Introduction**

This Report describes the existing audiovisual regulatory framework of the national regulation of the Republic of Latvia with reference to the areas covered by Chapter IV of the Council Directive of 3 October 1989 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities (hereinafter – the Directive TVWF) (advertising, sponsoring, teleshopping, self promotion and eventual other commercial messages on TV) in order to identify the rules that are more restrictive than the Directive's provisions, specifying where appropriate, differences between types of broadcaster (e.g. public services, commercial, free-to-air, pay-tv).

As it is stated in the official home page (www.nrtp.lv) of the National Radio and Television Council<sup>1</sup> – the supervisory institution – "The Ministry of Culture has taken the initiative together with the National Radio and Television Council of Latvia to align the Latvian Radio and Television Law with the "Television Without Frontiers" Directive (89/552/EEC and 97/36/EC)". *Saeima*<sup>2</sup> adopted the last amendments to this Law on May 15, 2003.

Additionally, it shall be noted that, currently, there is a new law in preparation regulating radio and television. As the National Radio and Television Council informed, the new law on radio and television will replace the existing provisions on advertising and teleshopping and will set forth new more detailed and specific rules. It is also planned that the new law on radio and television will cover the new advertising techniques such as split screens, interactive and virtual advertising and other new advertising techniques. At the moment, when this Report is drafted, the new law on radio and television is in the process of drafting and there is no version of the draft law on radio and television, which is available to public.

In respect to the sources of legal framework, it shall be also noted that court judgements are not generally the legal source (except the judgements of the Highest Court and the Constitutional Court) and thus they are not known to the general public. In relation to the Radio and Television Law<sup>3</sup>, which is the main law regulating the activities of broadcasting companies, there has been only one judgement of the Constitutional Court and the case related to the compliance of Article 19(5)<sup>4</sup> of this law with the certain human rights established by the *Satversme* (the Constitution) and international laws. The respective provision was declared invalid by the Constitutional Court.

<sup>&</sup>lt;sup>1</sup> in Latvian - Nacionālā Radio un Televīzijas Padome

<sup>&</sup>lt;sup>2</sup> the parliament of Latvia

<sup>3</sup> in Latvian – Radio un Televīzijas likums

<sup>4</sup> This Article provided that the volume of broadcasting time in foreign languages should not exceed 30 per cent of the total broadcasting time within one month.

Also the administrative procedures (imposing of administrative sanctions for the violations of advertising rules) are not generally known to the public. In respect to the authority of the National Radio and Television Council, it shall be noted that the powers to impose the administrative sanctions for violations of advertising rules by broadcasting organisations has only recently been granted. At the meeting of the National Radio and Television Council, held on June 12, 2003, the instruction "On the Imposing of Administrative Sanctions" was adopted which set forth the procedure according to the Council imposes administrative sanctions for violations of Radio and Television Law. The Instruction is based on the Article 215<sup>9</sup> of the Code of Administrative Offences<sup>5</sup> and Article 39(2) of Radio and Television Law entered into force on June 17, 2003<sup>6</sup>. Thus, the National Radio and Television Council has mainly addressed warning to broadcasting companies for violations of the advertising rules.

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<sup>&</sup>lt;sup>5</sup> in Latvian – Administratīvo pārkāpumu kodekss

<sup>6</sup> Information to Press by the National Radio and Television Council regarding the meeting held on June 12, 2003; <a href="https://www.nrtp.lv">www.nrtp.lv</a>

## I. Definitions (Article 1 Directive TVWF)

## a. Regulations

## • <u>Television broadcasting</u>

"The production (compilation) of the programmes and initial transmission for reception by the public. As broadcasting shall also be deemed the transfer of programmes for distribution between undertakings in order to provide their initial distribution for receptions by the public. Providing of information to closed, local audiences in hotels, vehicle and separate buildings, as well as providing of programmes in several buildings, if the total number of consumer (cable connection) does not exceed 25, shall not be considered as broadcasting" (Article 2(1) of the Radio and Television Law [in Latvian − Radio un Televīzijas likums]). (≠ article 1.1 TVWF Directive).

Broadcasting organisations may operate in the field of electronic mass media, which are radio, television, cable television, cable radio (radio transmission), satellite radio, satellite television, computer television, teletext, radio data systems and other broadcasting systems (Article 3(1) and Article 2(3) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums])

#### • <u>Broadcaster</u>

An undertaking who has editorial responsibility for the composition of programmes within the meaning of Article 2(1) of the Radio and Television  $Law^7$ , that produces programmes and performs the distribution of the programmes or transfers them for distribution by third persons, or is an undertaking which performs re-transmission of programmes and, according to the Radio and Television Law, are in the jurisdiction of the Republic of the Latvia (Article 2(10) of Radio and Television Law [in Latvian – Radio un Televīzijas likums]). (//article 1.2 TVWF Directive).

<u>Types of Broadcasting Organisations</u> - Broadcasting organisations are divided, according to the type of ownership and to the purpose of their activities, into public and commercial broadcasters and, according to the territorial coverage, into national, regional, local and transfrontier broadcasters (Article 4 of the Radio and Television Law [*in Latvian – Radio un Televīzijas likums*]).

(a) <u>Public broadcasting organisations</u> – formed by investing State property in the equity capital of the broadcasting organisation. Latvian Radio and Latvian Television are public broadcasting organisations and operate as State non-profit

<sup>&</sup>lt;sup>7</sup> See the definition of television broadcasting above.

companies (Article 5(1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]).

- (b) Commercial broadcasting organisations may be established by natural or legal persons or groupings of these persons. The equity capital of commercial broadcasting organisations shall comprise investments by natural and legal persons, as well as by State or Local Government institutions or undertakings. Commercial broadcasting organisations shall operate according to the general programme concept, on the basis of which the National Radio and Television Council has issued a broadcasting licence, a re-transmission permit or a special licence for cable television and cable radio (radio transmission) operation (Article 6 of the Radio and Television Law [in Latvian Radio un Televīzijas likums]).
- (c) <u>National broadcasting organisations</u> broadcasters the programmes of which are reliably (the quality of reception of which is such, that in conformity with State technical standards and norms, it may be rated as good) received throughout the entire territory of the State or in the greater part of it (Article 7 (1) of the Radio and Television Law [in Latvian Radio un Televīzijas likums]).
- (d) Regional broadcasting organisations broadcasters the programmes of which are reliably received throughout the administrative territory of at least one district or in the greater part of it (Article 7 (3) of the Radio and Television Law [in Latvian Radio un Televīzijas likums]).
- (e) <u>Local broadcasting organisations</u> broadcasters the programmes of which are reliably received in one parish, city (or in a part of it) or populated area (Article 7 (4) of the Radio and Television Law [in Latvian Radio un Televīzijas likums]).
- (f) <u>Trans-frontier broadcasting organisations</u> broadcasters which by means of cable, terrestrial or satellite transmitters broadcast or re-transmit in the territory of Latvia and which directly or indirectly may be received in one or more states outside the territory of Latvia, shall be considered as trans-frontier broadcasting organisations (Article 7 (5) of the Radio and Television Law [in Latvian Radio un Televīzijas likums]).

## <u>Television advertising</u>

It shall be noted that there is no specific definition of "television advertising", however the Radio and Television Law provides the definition of "advertising in broadcasting", which includes televisions, radio etc.

Advertising in broadcasting means a public announcement for which payment or other remuneration is given, or which is provided for the purpose of self-promotion regarding goods or services, firms, persons, organisation, its types of activities, ideas and others issues, in

order to promote its popularity and demand for them (Article 2(11) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]). (± // TVSF Directive)

Advertising as such is defined by Latvian law as any form or any type of announcement or activity associated with entrepreneurial or professional activity, in order to promote the popularity of goods or services or the demand for goods and services (including immovable property, rights and obligations) (Article 1 of the Advertising Law [in Latvian – Reklāmas likums].

## • Surreptitious advertising

The performance, for the purposes of advertising, of such a representation in a broadcast by means of sound or image, of goods, services, the name, the trademark, or the type of activities of a producer of goods or a provider of services, which by its nature may mislead the audience. Such a representation shall be deemed to have been deliberately performed, especially in the case, if payment or some other kind of remuneration has been received for it (Article 2(13) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]) (// TVWF Directive).

## Sponsorship

Direct or indirect contribution made by a legal or natural person not engaged in broadcasting activities to the financing of a programme or a broadcast for the purpose of promoting its name, its trade mark, its activities or its image (Article 2(15) of Radio and Television Law [in Latvian – Radio un Televīzijas likums]) ( $\pm$  // TVWF Directive). The definition uses the term "direct or indirect" and does not cover the purpose of promoting its products.

#### • <u>Teleshopping</u>

A broadcast (programme) in which a direct offer to supply goods or provide services for payment is expressed (Article 2(14) of the Radio and Television Law [ $in\ Latvian-Radio\ un\ Telev\bar{\imath}zijas\ likums$ ]) ( $\pm$  // TVWF Directive). The definition does not precise that immovable property rights and obligations are included.

#### • Other relevant legal definitions

o tobacco products advertising - information disseminated in any form (printed matter, posters, adhesive labels, advertising images on walls, radio and television broadcasts, spots, cinema films and videos), with the purpose of promoting the purchase and consumption of tobacco products<sup>8</sup> (Article 1(7) of

<sup>&</sup>lt;sup>8</sup> Within the meaning of the Law on Restrictions regarding Sale, Advertising and Use of Tobacco Products "tobacco products" means products, which are totally or partially manufactured from tobacco (for example,

the Law on Restrictions regarding Sale, Advertising and Use of Tobacco Products [in Latvian – Likums par tabakas izstrādājumu realizācijas, reklāmas un lietošanas ierobežošanu].

Advertising for medicines – means any announcement or activity of any kind with a purpose to promote the prescription, supply, sale or consumption of medical products (Article 2 of the Procedures for Advertising of Medical Products (Regulation of the Cabinet of Ministers) [in Latvian – Zāļu reklamēšanas kārtība].

Advertising for medicines may be advertising of medical products to the general public and to persons who have the right to prescribe or distribute medical products.

O Pre-election propaganda – the advertising of some political organisation, union of political organisations, unions of electors or as well as candidate for elections in mass media or in any other way, if it contains direct or indirect invitation to vote for or against some political organisation, union of political organisations, union of electors or as well as candidate for elections (Article 2(2) of the Law on Pre-election Propaganda before the Municipality Elections [n Latvian – Par priekšvēlēšanu aģitāciju pirms pašvaldību vēlēšanām] and Article 2(2) of the Law on Pre-election Propaganda before Saeima Elections [in Latvian – Par priekšvēlēšanu aģitāciju pirms Saeimas vēlēšanām].

#### b. Conclusions

#### 'Television broadcasting'

The definition of television broadcasting as such as provided by the Radio and Television Law [in Latvian – Radio un Televīzijas likums] is not exactly corresponding to the one stipulated by the TVWF Directive. However, once it is looked upon together with the other definitions provided in the respective law, it can be concluded that in its essence the definition of television broadcasting complies with the provisions of the TVWF Directive.

According to the Latvian Law the broadcasting includes activities of the production of programmes (compilation) and the initial distribution for reception by the public. On its turn, the distribution of programmes is the broadcasting of signals (the transmission of a programme from its source to the technical broadcasting device) and transmission (Article 2(6) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]). Subsequently, the transmission is defined as the initial distribution of programmes for reception by the public by means of terrestrial transmitters, by means of cable networks or via

cigarettes, cigarillos, cigars, pipe and other smoked tobacco, snuff, chewing, sucking or rolled tobacco) and which are used for smoking, sniffing, chewing or sucking (Article 1(6)).

satellite using the part of the electromagnetic field oscillations frequencies spectrum allocated pursuant to international standards for frequencies (radio) and channels (television), in open or encoded form. This term does not include communication services provided on individual demand (Article 2(8) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]).

The established differences and commentaries thereto are the following:

- The definition of broadcasting explicitly stipulates that providing of information to closed, local audiences in hotels, vehicle and separate buildings, as well as providing of programmes in several buildings, if the total number of consumer (cable connection) does not exceed 25, shall not be considered as broadcasting. Such exclusion of broadcasting activities is not provided in the respective definition of TVWF Directive.
- O Although it is provided by the Latvian law that transmission does not include communication services provided on individual demand, the particular services such as telecopying, electronic data banks and other similar services are not explicitly mentioned. However, it cannot be concluded that such individually provided services are not covered.

#### 'Broadcaster'

As regards the definition of a broadcaster it can be concluded that in essence it corresponds to the provisions of TVWF Directive. However, there exists one difference, namely, in the definition of a broadcaster an undertaking performing re-transmission of programmes and being in the jurisdiction of Latvia is also included.

#### 'Television advertising'

In relation to the definition of advertising in broadcasting, it can be concluded that there exist differences in relation to objects of such advertising – the objects of advertising as named in the definition in the Latvian law do not correspond to those listed in the TVWF Directive. While TVWF Directive refers to the promotion of goods or services, including immovable property, rights and obligations, the definition of Latvian law concerns goods or services, firms, persons, organisations, its types of activities, ideas or other issues.

#### 'Sponsorship' and 'Teleshoping'

The definition of sponsorship refers to the "direct or indirect" contributions and does not explicitly refer to the promotion of products. Similarly, the definition of teleshoping does not precise that immovable property, rights and obligations are included. Thus, the objects of sponsorship and teleshoping as named in the definition in the Latvian law do not correspond to those listed in the TVWF Directive.

# II. Advertising recognition and advertising / programme separation (Article 10 TVWF Directive)

## a. Regulations

## • Rules related to recognition of advertising and teleshopping spots

Article 22 (1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] stipulates that advertising and teleshopping spots shall be easily distinguishable (// TVWF Directive).

## • Rules related to the separation between the commercial content and the programme

Article 22 (1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] stipulates that advertising and teleshopping spots shall be clearly separated from other parts of the programme by visual or acoustic means (// TVWF Directive).

The National Radio and Television Council [in Latvian - Nacionālā Radio un Televīzijas Padome] (in a case National Radio and Television Council v. State non-profit organization limited liability company "Latvijas Televizija") on December 18, 2003 adopted the decision by which it was established that on October 29, 2003 the blocks of advertisements were not clearly separated from other parts of the programmes by visual or acoustic means by the television and issued a warning to this broadcasting organisation on the violation of Article 22(2) of the Radio and Television Law Article 22 (1) [in Latvian – Radio un Televīzijas likums]<sup>10</sup>.

The above mentioned requirements for the recognition and separation of advertising from the programme are also sometimes violated during pre-election propaganda.

Additionally, it is stipulated by article 22(1) of the Radio and Television law that advertising in audio-visual programmes and broadcasts shall be inserted in blocks. The insertion of advertising in blocks could be understood as broadcasting of advertising in intervals, where it is clear that it is an advertising break separated from a program (// TVWF Directive).

### • Rules related to the isolated advertising and teleshopping spots

<sup>9</sup> The public broadcasting organisation in Latvia

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<sup>&</sup>lt;sup>10</sup> Information to Press by the National Radio and Television Council regarding the meeting held on December 18, 2003; <a href="https://www.nrtp.lv">www.nrtp.lv</a>

It is not possible to determine the respective provisions in the Radio and Television Law [in Latvian – Radio un Televīzijas likums] which would determine, like it is in the provisions of TVWF Directive, that the isolated advertising and teleshopping spot shall remain the exception ( $\neq$  TVWF Directive).

## • Prohibition of the use of "subliminal techniques"

It is explicitly stipulated in Latvian laws that usage of such technological means in advertising and teleshopping, which affect the subconscious, is prohibited (Article 22 (2) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], // TVWF Directive).

## Prohibition of surreptitious adverting and teleshopping

Article 22(3) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] stipulates that surreptitious (hidden) advertising and surreptitious (hidden) teleshopping is prohibited (// TVWF Directive).

On October 10, 2002 the National Radio and Television Council [in Latvian - Nacionālā Radio un Televīzijas Padome] adopted the decision to issue a warning to the television – joint stock company "Latvijas Neatkarīgā televīzija" – because the interviews with the candidates for elections of Saeima (the parliament) on September 3, September 10 and September 17, 2002 broadcasted in its programme "LNT" were recognized as the surreptitious advertising. Neither before nor after the respective interviews there were references placed to a political organisation, union of political organisations or candidate for elections who had paid for the pre-election propaganda directly or using other persons<sup>11</sup>. Accordingly it was considered that the audience was mislead.

#### b. Conclusions

As to the rules on the form and utilisation of advertising and teleshopping spots (recognition and separation) in broadcasting, it can be concluded that the rules stipulated by Article 10 of TVWF Directive are implemented in the provisions of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]. However, it shall be noted that there are some differences between the rules of Radio and Television Law and TVWF Directive.

However, it is not possible to determine the respective provisions, which would determine that the isolated advertising and teleshopping shall remain the exception.

<sup>&</sup>lt;sup>11</sup> Information to Press by the National Radio and Television Council regarding the meeting held on October 10, 2002; <a href="https://www.nrtp.lv">www.nrtp.lv</a>

# III. Rules related to insertion of advertising and teleshopping spots between and within the programmes (Article 11 TVWF Directive)

## a. Regulations

• Rules related to the insertion of advertising and teleshopping spots between the programme

Article 23 (1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] stipulates that advertising and teleshopping spots shall be inserted <u>between programmes</u> (// TVWF Directive). To this general rule there are certain exceptions, which are described below.

## • Rules related to the insertion of advertising and teleshopping spots within the programmes

According to Article 23 (1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] advertising and teleshopping spots may also be inserted during programmes in such way that the integrity and value of the programmes and the rights of copyrights owners are not injured if the applicable provisions as set forth by the law are fulfilled ( $\pm$  // TVWF Directive).

The respective provisions set forth are the following:

- o In broadcasts and programmes, which consist of autonomous parts, in sports programmes and similarly structured events and performances containing intervals, advertising and teleshopping spots shall only be inserted between the parts or in the intervals (Article 23(2) of the Radio and Television Law [in Latvian Radio un Televīzijas likums], // TVWF Directive);
- o The transmission of audiovisual works such as feature films and films made for television (excluding series, serials, entertainment programmes and documentaries), which are longer than 45 minutes, may be interrupted once for each period of 45 minutes. Further interruption of the work shall be allowed for one more time if the work is at least 20 minutes longer than two or more complete period of 45 minutes (Article 23(3) of the Radio and Television Law [in Latvian Radio un Televīzijas likums], // TVWF Directive);
- o If advertising or teleshopping are inserted in programmes, other than those covered by Article 23(2) and Article 23(3) of the law (see both paragraphs above), a period of at least 20 minutes shall elapse between each advertising

and teleshopping break within the programme (Article 23(4) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], (// TVWF Directive).

• Possible prohibitions of insertion of advertising and teleshopping spots within certain types of programmes

According to Article 23(5) and Article 23(6) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], the following restrictions are stipulated:

- o Advertising and teleshopping shall not be inserted in any broadcast of a religious service (// TVWF Directive).
- O Advertising and teleshopping also shall not be inserted in news and current affairs programmes, documental and religious programmes and children's programmes, when their scheduled duration is less than 30 minutes. If their scheduled duration is 30 minutes or longer the provisions of Article 23(1), Article 23(2) and Article 23(4) of the law (see above) shall apply (// TVWF Directive).
- o During the transmission time of national holiday ceremonies, the advertising and teleshopping may be inserted only if it has been agreed to by the organisation of such ceremony (≠ TVWF Directive).

#### a. Conclusions

As to the insertion of advertising and teleshopping between and within the programmes, it can be concluded that the respective rules stipulated by Article 11 of TVWF Directive are directly implemented in the provisions of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]. However, it shall be noted that there are some differences between the rules of Radio and Television Law and TVWF Directive.

The established differences are the following:

O The Article 11(1) of TVWF Directive sets forth that advertising and teleshopping may also be inserted during programmes providing that, besides other conditions, natural breaks in and the duration and nature of the programme shall be taken into account. Such consideration is not explicitly stipulated by the respective provision of Radio and Television Law, what leads to the conclusion that respective provisions of Latvian law do not explicitly stipulate the exact requirements as provided by the TVWF Directive. Nevertheless it cannot be excluded that the requirement to ensure the integrity and value of programmes in practice is applied and interpreted so that natural breaks in and the duration of the programme is taken into account.

o The Article 11(1) of TVWF Directive sets forth that advertising and teleshopping may also be inserted during programmes providing that, besides other conditions, the rights of the rights holders are not prejudiced. The respective provision of Radio and Television Law stipulates that the rights of <u>copyrights</u> owners are not injured.

Additionally, there are additional restrictions, not provided by TVWF Directive, in respect to the insertion of advertising and teleshopping in the transmission time of national holiday ceremonies. In accordance with Article 23(6) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] it is stipulated so that distribution of commercials and teleshopping during the transmission time of national holiday ceremonies is permitted only if it has been agreed to by the organisers of such a ceremony.

## IV. Quantitative restrictions (Article 18 TVWF Directive)

### a. Regulations

## • Legal maximum percentage of daily transmission time devoted to teleshopping and advertising spots and for other forms of advertising

According to Article 21(1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] the time devoted for advertising and teleshopping spots, with the exception of teleshopping windows within the meaning of Article 21(3) and (4) of the Radio and Television Law, shall not exceed 20 per cent of the daily transmission time (// TVWF Directive).

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The exceptions provided in Article 21(3) and (4) of the Radio and Television Law corresponds to the respective exceptions laid down by Article 18bis of TVWF Directive. It shall be also noted that there are some exceptions when the limit of advertising time can be increased (see below).

## • <u>Maximum daily transmission time devoted to advertising messages</u>

According to Article 21(1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] the time for advertising may not exceed 15 per cent of the total volume of the broadcasting time in a twenty-four hour period (// TVWF Directive).

To this general rules regarding the total volume of advertising there are some exceptions.

Article 7(4) of the Law on Pre-election Propaganda before Saeima Elections [in Latvian – Par priekšvēlēšanu āgitāciju pirms Saeimas vēlēšanām] set forth that starting from the 60<sup>th</sup> day before the day of elections broadcasting organisations are entitled to increase the volume of time reserved for advertising, as stipulated by Radio and Television Law, by 10 per cent, allocating such time for pre-election propaganda. The similar exception is provided also with regard to municipality elections, namely, Article 7(9) of the Law on Pre-election Propaganda before the Municipality Elections [n Latvian – Par priekšvēlēšanu aģitāciju pirms pašvaldību vēlēšanām] provides that starting from the 40<sup>th</sup> day before the day of elections the total time for advertising may be increase by 10 per cent, allocating such time for pre-election propaganda<sup>12</sup>. (the Directive is silent on this issue).

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<sup>&</sup>lt;sup>12</sup> In relation to pre-election propaganda, it shall be noted that in according to Latvian laws the public broadcasting companies under certain conditions are obliged to provide free broadcasting time for pre-election propaganda. Additionally, all of broadcasting companies (public and commercial) are obliged to provide the equal volume of broadcasting time for pre-election propaganda to all political organisations, unions or candidates.

# • <u>Maximum daily transmission time devoted to advertising and teleshopping spots</u> within a given clock hour

According to Article 21(2) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] the time devoted for advertising and teleshopping may not exceed 20 per cent of any broadcast hour (// TVWF Directive).

It could be mentioned that there have been violations of this restriction. Thus, for instance, on January 30, 2003 the National Radio and Television Council [in Latvian - Nacionālā Radio un Televīzijas Padome] adopted the decision by which the warning was issued to the television – TV Riga Ltd, since the total amount of advertising broadcasted on December 20, 2002 between 22:00 and 23:00 was 29,3% instead of 20% as permitted by laws.<sup>13</sup>

## Other possible quantitative restrictions

According to Article 21(2) of the Radio and Television Law  $[in\ Latvian-Radio\ un\ Telev\bar{\imath}zijas\ likums]$  the time devoted for the advertising and teleshopping in programmes and broadcasts produced pursuant to the national procurement shall not exceed 10 per cent of each broadcast hour, if the National Radio and Television Council have not prescribed even lesser amount of time for advertising or teleshopping in particular broadcasts or programmes.

#### • Factors to be taken into account or not for the calculation of the advertising time

For the purposes of calculation of volume of advertising and teleshopping, the following announcements shall not be considered as advertising in accordance with Article 21(5) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]:

- o advertising, which is distributed by a broadcasting organization, informing of its own programmes or broadcasts, or of derived production, which has been obtained directly from such programmes or broadcasts; and
- o public services announcements and invitations to participate in charity appeals, which are distributed free of charge (// TVWF Directive).

#### b. Conclusion

As to the quantitative restrictions on advertising and teleshopping, it can be concluded that the respective rules stipulated by Article 18 of TVWF Directive are directly implemented in the provisions of the Radio and Television Law [in Latvian – Radio un Televīzijas likums].

<sup>&</sup>lt;sup>13</sup> Information to Press by the National Radio and Television Council regarding the meeting held on January 30, 2002; <a href="www.nrtp.lv">www.nrtp.lv</a>

However, it shall be noted that there are additional quantitative restriction set forth in relation to programmes and broadcasts produced pursuant to the national procurement. In such programmes and broadcasts, the time for advertising and teleshopping shall not exceed 10 per cent of each broadcast hour.

In addition, the National Radio and Television Council is entitled to prescribed even smaller amount of time for advertising or teleshopping in such broadcasts or programmes.

Moreover, besides the exceptions to the maximum advertising time set forth by TVWF Directive, there is also an exception related to pre-election propaganda. The total time of advertising can be increased under certain conditions up to 10 per sent, allocating this time for pre-election propaganda.

# V. Quantitative restrictions related to teleshopping programmes (Article 18bis TVWF Directive)

#### a. Regulations

## • <u>Minimum duration of windows devoted to teleshopping programmes</u>

According to Article 21(3) of the Radio and Television Law [in Latvian – Radio un  $Telev\bar{z}ijas\ likums$ ] the amount of broadcasting time of a teleshopping window shall be of a minimum of uninterrupted duration of 15 minutes (// TVWF Directive).

It shall be noted that the above mentioned rule of Latvian law does not separate between channels, which are not devoted to teleshopping, and channels, which are exclusively devoted to teleshopping ( $\neq$  TVWF Directive).

#### • Maximum number of windows

According to Article 21(4) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], the maximum number of window shall be of maximum 8 within a 24h period (// TVWF Directive).

## • Maximum daily duration

According to Article 21(4) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], the total volume of broadcasting time teleshopping windows may not exceed three hours in a twenty-four hour period, and they shall be clearly identified, by the help of optical and acoustic means, as teleshopping windows (// TVWF Directive).

#### b. Conclusion

As to the quantitative restrictions related to teleshopping programmes, it can be concluded that the respective rules stipulated by Article 18bis of TVWF Directive are directly implemented in the provisions of the Radio and Television Law [in Latvian – Radio un Televīzijas likums].

The only difference relates to the fact that rules of Latvian law do not make any differences between channels, which are not devoted to teleshopping, and channels, which are exclusively devoted to teleshopping.

## VI. Sponsoring (Article 17 TVWF Directive)

### a. Regulations

## • Rules related to editorial independence of the broadcaster

According to Article 25(2) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], the sponsor may not influence the choice of content and scheduling of sponsored programmes thereby restricting the editorial independence of the broadcasting organisation ( $\pm$  // TVWF Directive).

It shall be noted that unlike the respective Article of TVWF Directive the specific rule of the Radio and Television Law regarding sponsoring does not explicitly refer to the influence of the responsibility of the broadcasters in respect to programmes.

## • Sponsor identification

According to Article 25(1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], if a programme or broadcast is sponsored in whole or in part, then it shall be clearly indicated at the beginning or end, showing the name or the trademark of the sponsor of the programme or broadcast ( $\pm$  // TVWF Directive).

#### • Rules related to the insertion of the sponsor's name or logo within the programme

There are no other additional rules in Latvian related to the insertion of sponsor's name or logo within the programme, except to the general requirement that a sponsor shall be clearly indicated at the beginning or end by showing the name or the trademark (see above) (// TVWF Directive).

#### • Identification of the programmes that cannot be sponsored

According to Article 26(2) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums], it is prohibited to sponsor the news (with the exception of narrowly focused thematic news) and current affairs programmes (+/- // TVWF Directive as the "narrowly focused thematic news" programmes may be sponsored).

### • Rules related to the content of the message

According to Article 25(3) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] the goods or services of the sponsor or other persons may not be advertised in sponsored programmes or broadcasts by incorporating in them direct or

promotional references in relation to the purchase or lease of such goods and services (// TVWF Directive).

According to Article 26(1) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums] it is stipulated that natural or legal persons whose activities are directly connected with the manufacture of such goods or the provision of such services, as the advertising of which is prohibited, may not be sponsors of programmes or broadcasts.

Respectively, since the advertising of tobacco products, alcoholic beverages (except wine and beer) and medical treatment and medical assistance, which are available in Latvia only pursuant to a prescription by a physician or the direction of a physician, is prohibited (Article 24 of the Radio and Television Law), the natural or legal persons whose activities are directly connected with the manufacture of such goods or the provision of such services, may not be sponsors of programmes or broadcasts.

## • Maximum duration of the mention and/or maximum daily/per hour volume

There are no provisions in the Radio and Television Law [in Latvian – Radio un Televīzijas likums] setting forth limitations on duration of the mention on volume or addressing thereto (// TVWF Directive).

#### • Rules eventually limiting the volume of sponsorship

There are no provisions in the Radio and Television Law [in Latvian – Radio un Televīzijas likums] providing limitations or restrictions for broadcasting companies regarding the volume of sponsored programmes or broadcasts.

• Other relevant rules related to product placement, price mentioning during TV shows, sponsorship linked to schedule/points indication during sport broadcasts, etc.)

There are no specific provision in the Latvian legislation regarding these topics (and in particular the product placement). This information might be contained in the new law on Radio and Television to be adopted.

This matter is not explicitly addressed by the current provisions of Latvian law. There is only the general rule related to the sponsoring (mentioned in the report) that the goods or services of the sponsor or other person may not be advertised in sponsored programmes or broadcasts by incorporating in them direct or promotional references in relation to the purchase or lease of such goods or services.

#### b. Conclusion

As to the sponsoring, it can be concluded that the respective rules stipulated by Article 17 of TVWF Directive are implemented in the provisions of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]. However, it shall be noted that there are some differences between the rules of the Radio and Television Law and TVWF Directive. The established differences are the following:

- o The specific rule of the Radio and Television Law regarding the influence of sponsor over the choice of content and scheduling of sponsored programmes does not explicitly refer also to the influence of the responsibility of the broadcasters in respect to programmes.
- o Although it is generally prohibit to sponsor the news and current affairs programmes; there is an exception to this prohibitions related to the narrowly focused thematic news.

## VII. New advertising techniques

The existing laws do not provide the legal framework for the new advertising techniques; no such provision are included into the Radio and Television Law [in Latvian – Radio un Televīzijas likums]. However, as it is noted above, there is currently a new law regulating radio and television in preparation. It is planned that the new law on radio and television will contain provisions on new advertising techniques such as split screens, interactive and virtual advertising and other new advertising techniques.

In practice, it can be noted that broadcasting organisations are starting to exploit some of new advertising techniques, however we are not in the position to assess the volume or effects of such exploitation. Furthermore, so far there are no publicly available information regarding the attitude of and actions taken by regulatory authorities in relation to such new advertising techniques.

# VIII. General rules related to advertising and teleshopping content (Article 12 TVWF Directive)

#### a. Regulations

## • Rules related to the content of commercial messages

#### General regulation:

It shall be noted that there are certain general requirements for the content of advertising, which are set forth by the Advertising Law [ $in\ Latvian - Rekl\bar{a}mas\ likums$ ].

In accordance with Article 7(1) of Advertising Law [in Latvian – Reklāmas likums] supplementary provisions in relation to advertising content, design or procedures for dissemination (including procedures for dissemination of advertising in particular mass media), for individual goods, groups of goods or services, may be provided for in other laws and regulatory enactments.

The <u>general requirements</u> for advertising as set forth by the Advertising Law [in Latvian – Reklāmas likums] are the following:

- o Advertising shall be lawful, truthful and objective and it shall be created in accordance with ethical advertising practices. Advertising shall not reduce public confidence in advertising and it shall comply with the principles of fair competition (Article 3(1));
- Only such announcements or visual representations which do not breach generally accepted ethical, humanitarian, morality, decency and propriety norms, shall be permitted to be included in advertising (Article 3(2)).
- o The following is prohibited in advertising (Article 4):
  - o To propagate violence and war;
  - To express discrimination against a person due to his or her race, skin colour, gender, age, religious, political or other convictions, national or social origin, financial status or other circumstances;
  - o To exploit the effect created by fear or superstition;
  - To exploit in bad faith the trust of a person and his or her lack of experience or knowledge;
  - o To depict, use or in any other way mention either a natural person (as a private person or as an official) or his or her property without the consent of this person;
  - o To defame, disparage or ridicule another person, or the activities, name (firm name), goods or services, or trade marks of another person;

- o To exploit the name, surname, name (firm name) or other identifying designation (including a trade mark) of another entrepreneur without the consent of the entrepreneur 14; and
- O To imitate the advertising text, slogan, visual representation, audio or other special effects of another advertiser without the consent of the advertiser or to carry out any other forms of activities which may create confusion or mislead in regard to the advertiser and the advertised goods or services<sup>15</sup>.

Additionally, it shall be noted that misleading advertising is prohibited (Article 8(1) of the Advertising Law [in Latvian – Reklāmas likums]) and comparative advertising shall be developed in accordance with principles of fair competition, utilising facts that may be proved, and shall be permitted, in so far as it pertains to a comparison, if all of conditions stipulated by the law are complied with (Article 9 of the Advertising Law [in Latvian – Reklāmas likums]).

## Audiovisual regulation:

The <u>specific requirements</u> for advertising and teleshopping as set forth by the Radio and Television Law [in Latvian – Radio un Televīzijas likums] are the following:

- o Advertising and teleshopping shall be truthful and fair (Article 20(1));
- o Advertising and teleshopping shall comply with the provisions of the Law On Protection of Consumers' Rights [in Latvian Patērētāju tiesību aizsardzības likums] (Article 20(2));
- o Advertising and teleshopping shall comply with the provisions of the Competition Law [in Latvian Konkurences likums] (Article 20(8));
- o Violence is not permissible in advertising and teleshopping (Article 20(7));
- o The following is prohibited in advertising and teleshopping (Article 20(3)):
  - o to mislead consumers or threaten the interests of consumers;
  - o to injure human dignity;
  - o to include any discrimination based in race, sex or nationality;
  - o to injure religious feelings or political beliefs;
  - o to encourage behaviour which threatens human health or safety;

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<sup>&</sup>lt;sup>14</sup> This is not applicable to comparative advertising if all of the respective conditions for such advertising are complied with (Article 4(3) of Advertising Law [in Latvian – Reklāmas likums]).

<sup>&</sup>lt;sup>15</sup> See footnote 14.

o to encourage behaviour, which is harmful to the protection of the environment (these provisions are similar to article 12 of the Directive).

Additionally, it is stipulated by the law that advertising, except for self-promotion, and teleshopping may not use the images or recorded voices of persons who regularly anchor news or current affairs programmes (Article 22(4) of the Radio and Television Law [in Latvian – Radio un Televīzijas likums]).

#### b. Conclusion

As to the rules related to the content of advertising and teleshopping, it can be concluded that the respective rules stipulated by Article 12 of TVWF Directive are implemented in the provisions of the Radio and Television Law [in Latvian – Radio un Televīzijas likums].

However, it shall be noted that, besides the rules stipulated by the Radio and Television Law in relations to broadcasted advertising and teleshopping, those shall also comply with the general requirements set forth to advertising.

By comparing the respective rules of TVWF Directive and rules of the Radio and Television Law related to the content of broadcasted advertising and teleshopping, it can be concluded that in addition to requirements set for by Article 12 of TVWF, the Radio and Television Law also explicitly stipulates that advertising and teleshopping shall comply with the provisions of the Law On Protection of Consumers' Rights and the Competition Law [in Latvian – Konkurences likums]. In respect to advertising, these provisions can be considered as restatement of general requirements, which is applied to all kinds of advertising activities

## IX. Specific products and targets

#### a. Regulations

## • Tobacco products (Articles 13 and 17 TVWF Directive)

Advertising of tobacco products is generally regulated by the Law on Restrictions regarding Sale, Advertising and Use of Tobacco Products [in Latvian – Likums par tabakas izstrādājumu realizācijas, reklāmas un lietošanas ierobežošanu]. However, in accordance with Article 9(3) of this Law, the provisions of the Radio and Television Law [in Latvian – Radio and Televīzijas likums] shall be complied with when advertising tobacco products in the electronic mass media.

According to Article 24(1) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums] advertising and teleshopping for tobacco products and smoking are prohibited. (// article 13 TVWF Directive).

There is an exception to this explicit prohibition in the law, namely, in accordance with Article 24(3) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums] these provisions are not applicable to the transmissions of sport or similar events in which advertising occurs in the background of the event (advertising placards in stadiums, trademarks and others) and it is not possible avoid it.

Additionally, it is stipulated so that natural or legal persons, whose activities are directly connected with the manufacture of such goods or provisions of such services as the advertising of which is prohibited, may not be sponsors of programmes or broadcasts (Article 26(1) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums]. Thus, the producer or seller of tobacco products may not be sponsor of the programmes or broadcaster.

## Medicines (Article 14 TVWF Directive)

#### General regulation:

Advertising for medicines is generally regulated by the Procedures for Advertising of Medical Products (Regulation of the Cabinet of Ministers) [ $in\ Latvian - Z\bar{a}lu\ reklam\bar{e}sanas\ k\bar{a}rt\bar{t}ba$ ].

Besides that, the general requirements as set forth by the Advertising Law [in Latvian – Reklāmas likums] and the Radio and Television Law [in Latvian – Radio and Televīzijas likums] shall be complied with, too.

The <u>requirements and restrictions</u> set forth by the Procedures for Advertising of Medical Products [in Latvian –  $Z\bar{a}$ ]u reklamēšanas kārtība] in respect to advertising of medicines to the general public are as follows:

- o It is prohibited to advertise for medical products, which are not registered in the Drug Register of Latvia (Article 4).
- It is prohibited to advertise to the general public prescription medical products and medical products containing psychotropic or narcotic substances or analogues (Article 7)<sup>17</sup>.
- Medical products, which due to their composition and usage are intended and suitable for use without the advice of a medical practitioner, may be advertised to the general public (Article 8).
- The advertising for medical products shall comply with the following general requirements (Article 5):
  - o the information provided in the advertising must comply with the information set out in the description of the medical product;
  - o in order for the advertising to encourage the rational use of the medical product, objective information regarding the medical product shall be presented, without exaggerating its characteristics; and
  - o the advertising may not be misleading.
- o It is prohibited to mention in the advertising the following therapeutic indications tuberculosis, sexually transmitted diseases, other serious infectious diseases, oncological and other tuberculosis diseases, metabolic and ductless gland diseases, also diabetes mellitus; and chronic insomnia (Article 9)<sup>18</sup>.
- o Advertising shall be designed in such a way that there will be no doubt that the product being advertised is a medical product (Article 11).
- o Advertising shall include at least the following information (Article 12):
  - o the name of the medical product, as well as the general name provided for in the regulatory enactments for the labelling of medical products, if the medical product contains only one active substance;

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<sup>&</sup>lt;sup>16</sup> Rules on the advertising of the medical products to the persons, who have rights to prescribe or distribute the products, are not be examined, since in accordance to Procedures for the advertising of the Medical produces advertising to health professionals shall be placed only in scientific and informative press publications intended for the relevant health professionals or in specially prepared advertising materials, which shall not be disseminated to the general public (Article 18).

<sup>&</sup>lt;sup>17</sup> This restriction is not applicable to vaccinations, which are conducted in accordance with the regulatory enactments regarding vaccination procedures (Article 10).

<sup>&</sup>lt;sup>18</sup> See footnote 17.

- o information regarding the correct use of the medical product; and
- o a clear and legible invitation to read carefully the instructions for use or the relevant information on the packaging.
- o Advertising may indicate only the name of the medical product if the advertising is intended as a reminder of previously disseminated advertising (Article 13).
- o Advertising of medical products to the general public may not contain any information which (Article 14):
  - o suggests treatment utilising mail services or providing advice in another similar manner and which gives the impression that by determining a diagnosis a medical consultation or surgical operation is unnecessary;
  - o gives the impression that the effects of the medical product are guaranteed, do not have side effects or are better than, or equivalent to, those provided by another method of medical treatment or other medical products;
  - o gives the impression that by using the medical product the general health condition of the patient greatly improves;
  - gives the impression that not using the medical product may negatively affect the health of the patient. This prohibition shall not apply to the vaccinations, which are conducted in accordance with the regulatory enactments for vaccination procedures;
  - o is directed principally to attract the attention of children;
  - o refers to recommendations by scientists, health care workers or such persons whose popularity could encourage the consumption of medical products;
  - o gives the impression that the medical product is a foodstuff, cosmetic or some other consumer product;
  - o gives the impression that the safety and efficacy of the medical product is guaranteed by its natural origin;
  - o could, by a description or detailed representation of a case history, cause an erroneous self-diagnosis;
  - o describes, in improper, alarming or misleading terms, recovery; and
  - o depicts, in improper, alarming or misleading terms, changes in the human body caused by disease or injury, or of the action of a medical product on the human body or parts thereof.

#### Audiovisual regulation:

According to the Article 24(4) of Law on the Radio and Television [in Latvian – Radio and Televīzijas likums] advertising of such means of medical treatment and medical assistance, which are available in Latvia only pursuant to a prescription by a physician or the direction of a physician, is prohibited (// article 14.1 TVWF Directive).

Additionally, it is explicitly stated by Article 24(5) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums] that teleshopping for medical aid, as well as teleshopping for any such drugs and pharmaceutical products, which have been included in the Drug Register of Latvia or the Veterinary Drug Register of Latvia, are prohibited (// article 14.2 TVWF Directive).

It is also stipulated that natural or legal persons, whose activities are directly connected with the manufacture of such goods or provisions of such services as the advertising of which is prohibited, may not be sponsors of programmes or broadcasts (Article 26(1) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums]. Thus, the producer or seller of such means of medical treatment and medical assistance, which are available in Latvia only pursuant to a prescription by a physician or the direction of a physician, may not be sponsor of the programmes or broadcaster (// article 17.3 TVWF Directive).

### • Alcoholic beverages (Article 15 TVWF Directive):

### General regulation:

Advertising of alcoholic beverages is generally regulated by the Law on Handling of Alcohol [in Latvian – Alkohola aprites likums]. However, in accordance with Article 58(3) of this Law, additional restrictions on advertising of alcohol are determined in the Radio and Television Law [in Latvian – Radio and Televīzijas likums]. Besides that the general requirements as set forth by the Advertising Law [in Latvian – Reklāmas likums] shall be complied with, too.

The <u>requirements and restrictions</u> set forth by the Law on Handling of Alcohol [in Latvian – Alkohola aprites likums] in respect to advertising of alcohol are as follows:

- o Advertising for alcohol shall include simultaneous information warning the public against the negative influence of alcohol consumption, and at least 10 per cent of the particular advertising space shall be allocated for such information (Article 57).
- o In advertising of alcohol, it is prohibited to (Article 58(1):
  - o represent persons consuming alcohol;
  - o utilise symbols of the State of Latvia;

- o express opinion regarding alcohol as a mean of medical treatment; and
- o associate alcohol consumption with sports activities or driving of means of transport.

Additionally it is stipulated by the Law on Handling of Alcohol [in Latvian – Alkohola aprites likums] that producers, traders and carriers of alcoholic beverages are prohibited from sponsoring children's and youth recreational and sports competitions if in the information regarding sponsorship there is a reference to any alcoholic beverage, as well as the use of alcoholic beverages (Article 58(2).

It shall be noted that there are amendments to the Law on handling of Alcohol in preparation<sup>19</sup>. By the provisions of draft law, in addition to above mentioned, there could be additionally prohibitions related to the advertising of alcohol. Article 58(1) of Law could be supplemented by the following prohibitions:

- o to claim, that alcohol has therapeutic qualities or that it has the effect of a stimulant or a sedative or that it helps to resolve personal problems;
- o to encourage immoderate consumption of alcohol or present abstinence or moderation in the use oh alcohol in a negative light;
- o crate the impression that the consumption of alcoholic beverages ensures success socially or sexually;
- o involve persons who are under 25 years age.

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<sup>&</sup>lt;sup>19</sup> Draft law, available at the official homepage of Saeima (Parliament); www.saeima.lv

## Audiovisual regulation:

According to Article 24(2) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums] advertising and teleshopping for beer<sup>20</sup> and wine<sup>21</sup> are permitted, <u>but</u> advertising and teleshopping for other alcoholic beverages are prohibited. ( $\neq$  TVWF Directive)

Respectively advertising and teleshopping for alcoholic beverages (wine and beer) shall comply with the following provisions (Article 24(2) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums]):

- o they may not be aimed at minors, and minors shall not participate in them;
- o they may not link the consumption of alcohol to enhanced physical performance or to operating means of transportation;
- o they may not claim that alcohol has therapeutic qualities or that it has the effect of a stimulant or a sedative or that it helps to resolve personal problems;
- o they may not encourage immoderate consumption of alcohol or present abstinence or moderation in that use of alcohol in a negative light;
- o they may not emphasizes the alcoholic content of alcoholic beverages;
- o they may not create the impression that the consumption of the alcoholic beverages ensures success socially or sexually.

<sup>20</sup> In accordance with Law on Handling of Alcohol (Article 1(1)17)) beer is defined as fermented alcoholic beverages with absolute alcohol content exceeding 0.5 per cent by volume, produced from malt and water by adding hops, and conforming to code 2203 of the Combined Nomenclature of Latvia, or a mixture of beer and non-alcoholic drinks with absolute alcohol content exceeding 0.5 per cent by volume, conforming to code 2206 of the Combined Nomenclature of Latvia.

still wine – a product conforming to codes 2204 and 2205 of the Combined Nomenclature of Latvia, if only it has been acquired through the fermentation of natural wine materials and the actual alcohol amount therein exceeds 1.2 per cent by volume, but does not exceed 18 per cent by volume and if the alcohol contained in the finished product has solely been produced during the fermentation process.

sparkling wine – product conforming to the codes 2204 and 2205 of the Combined Nomenclature of Latvia, if only it has been acquired when fermenting natural wine materials and actual alcohol amount therein exceeds 1.2 per cent by volume, but does not exceed 15 per cent by volume and if the alcohol contained in the finished product has solely been produced during the fermentation process, The product has excess pressure in liquid (three bars or more) due to the presence of carbon dioxide and it has been filled in bottles with specially fixed mushroom stoppers or in other packaging.

<sup>&</sup>lt;sup>21</sup> In accordance with Law on Handling of Alcohol (Article 1(2)) and Law on Excise Duty on Alcoholic Beverages [in Latvian – Likums par akcīzes nodokli alkoholiskajiem dzērieniem] (Article 1(2)(2)) wine is defined as follows:

In this limit, the Latvian legislation complies with the Directive.

There is the limitation to apply the respective requirements and restriction, namely, in accordance with Article 24(3) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums] these provisions are not applicable to the transmissions of sport or similar events in which advertising occurs in the background of the event (advertising placards in stadiums, trademarks and others) and it is not possible avoid it.

Additionally, it is stipulated so that natural or legal persons, whose activities are directly connected with the manufacture of such goods or provisions of such services as the advertising of which is prohibited, may not be sponsors of programmes or broadcasts (Article 26(1) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums]. Thus, the producer or seller of alcoholic beverages (except wine and beer) may not be sponsor of the programmes or broadcaster.

## • Minors (Article 16 TVWF Directive)

### General regulation:

General requirements and restrictions on advertising directed to children are set forth by the Advertising Law [in Latvian – Reklāmas likums] and those are as follows:

- o Advertising directed to children or advertising which has been created with the participation of children shall not threaten the rights or interests of children and in its creation, attention shall be drawn on the perception and psyche of children (Article 5(1)).
- o Exploiting the natural credulity or lack of experience of children in advertising is prohibited (Article 5(2)).
- Exploiting children in alcoholic beverage and tobacco product advertising, and aiming alcoholic beverage and tobacco product advertising at children, are prohibited (Article 5(3)).
- o In advertising directed to children, it is prohibited (Article 5(4)):
  - o to include assertions, or visual or audio information, which could cause moral or physical harm to them or create feelings of inferiority;
  - o to include encouragement for or encourage aggressiveness and violence, and discredit the authority of parents, guardians or teachers;

- o to draw attention to the fact that the acquisition of specific goods or services creates physical, social or psychological advantages over peers or that the lack of the relevant good creates the opposite result;
- o to unmistakably indicate that the acquisition of the good or service to be advertised is possible for any family, irrespective of its budget;
- o to directly invite children themselves or invite children to encourage their parents or other persons to purchase goods or use services; and
- o to portray children in dangerous situations.

#### Audiovisual regulation:

Additional requirements and restrictions on advertising addressed to minors are set forth by the Law on Radio and Television [in Latvian – Radio and Televīzijas likums] and it is stipulated that advertising may not cause moral or physical harm to minors, and it shall comply with the criteria for the protection of minors and it is prohibited to (Article 20(4):

- o directly convince minors to purchase the advertised goods or to utilise the advertised services by exploiting their inexperience or credulity;
- o directly encourage minors to persuade their parents or other persons to purchase the advertised goods or to utilise the advertised services;
- o exploit the special trust minors place in parents, teachers or other persons; or
- o show minors in dangerous situations without a serious reason for doing so.

According to Article 20(5) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums] teleshopping shall comply with the above mentioned requirements and, in addition, may not convince minors to purchase the goods or to utilise the services.

Additionally, it is stipulated that advertising addressed to or using children may not harm the interests of children, and their production shall have regard to the special susceptibilities and psyche of children (Article 20(6) of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums].

## • Other product/services categories subject to a specific regime:

The broadcasted advertising and teleshopping of other products or services (not mentioned above) is not addressed by the respective provisions of the Law on Radio and Television [in Latvian – Radio and Televīzijas likums].

#### b. Conclusion

As to the regulation of advertising and teleshopping of specific products, it can be concluded that the respective rules stipulated by Article 13, Article 14 and Article 15 of TVWF Directive are directly implemented in the provisions of the Radio and Television Law [in Latvian – Radio un Televīzijas likums].

However, it shall be noted that there are some differences between the rules of Radio and Television Law and TVWF Directive.

The established differences are the following:

- O To the general prohibition on advertising and teleshopping of tobacco products, there is an exception. It is not applicable to the transmissions of sport or similar events in which advertising occurs in the background of the event (advertising placards in stadiums, trademarks and others) and it is not possible avoid it. This exception is contained in the new Directive regarding the advertising for tobacco products.
- o In Latvia, only the broadcasted advertising and teleshopping of wine and beer is permitted; the advertising and teleshopping of other alcoholic beverages is prohibited. The respective provisions of TVWF Directive do not separate between beer and wine and other alcoholic beverages and advertising and teleshopping of such products is permitted subject to compliance with specific requirements.
- Although the provisions of the Radio and Television Law do not directly contain all of
  the requirements for advertising and teleshopping of alcohol beverages, the other
  requirements are stipulated by the Law on Handling of Alcohol [in Latvian Alkohola
  aprites likums].

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