1. The organisational or institutional submitter
   Non-profit partnership “Advertising Council of Russia” (Russian title – Reklamny Sovet Rossii, abbr. - RSR) was established as a public organisation in 1995. It is a self-regulatory body acting in the Russian advertising market. Since 1998 RSR is a member of European Advertising Standards Alliance (EASA). The members of Advertising Council of Russia are the main All-Russian associations of advertising industry, mass media and consumers societies, including Russian Chamber of Commerce and Industry, Russian Association of Advertising Agencies, Association of Advertisers, Russian Chapter of International Advertising Association, Journalists Union of Russia, Russian Association of Independent Broadcasters, Russian Association of Regional TV-broadcasters, National Association of TV-broadcasters, League of Co-operators and Entrepreneurs of Russia, Russian Union of Stock-exchangers, International Confederation of Consumer Societies, All-Russian League of Consumers.

2. The scope of activities or mandate of the organization
   The main activities of Advertising Council of Russia are as follows:
   - Participation in legal procedures, preparation of amendments to the Federal Legislation on Advertising;
   - Development of self-regulation system of advertising in Russia;
   - Discussion of actual and problem questions of advertising activities in open session of RSR;
   - Forming of code of best advertising practices (ethical rules of self-regulation), consideration of consumer complaints and precedents of advertising activities, procedure of copy advice;
   - Popularisation of tasks and purposes of RSR, promotion of ideas of advertising self-regulation, publishing activities;
   - Interaction with public and professional associations, legislative and executive authorities;
   - Contacts with international organizations of self-regulation and advertising associations.

   One of the main objectives of the Advertising Council of Russia is to express the views of its members before the governmental bodies.
3. **The organisation’s interest in the FCTC process**

Members of the Advertising Council of Russia are the major associations of advertisers, advertising agencies, mass media and consumer societies in Russia. Due to the fact that a large amount of advertising (outdoor and press advertising) in Russia relates to tobacco products, they are very concerned with possibility of a total ban on tobacco advertising unjustified in existing social and economic environment in Russia.

4. **Source of funding of the submitter**

Membership fees.

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**WHO Framework Convention on Tobacco Control**

**Position of Russian Advertising Council**

After getting familiar with the contents of the WHO Framework Convention on Tobacco Control, the Russian Advertising Council (RAC) hereby expresses its concern with a proposal to ban tobacco advertising. The Council is consistently calling for tough constraints to be imposed on tobacco advertising envisaged by Federal Law “On Advertising”, and considers total ban on tobacco advertising unjustified in existing social and economic environment in Russia.

We share the WHO concerns over the growing underage smoking incidence and support active retail access control programs aimed at prohibiting sales of tobacco products to underage.

At the same time in as far as total tobacco and tobacco products advertising ban, it should be noted that many research companies (e.g. Deloitte & Touche) have evidence that there is no direct link between active advertising and consumption of tobacco products.

Therefore below is short historical background of tobacco products advertising in Russia.

In 1970-1985 in the USSR, including Russia there was no tobacco advertising at all however the consumption of tobacco products increased by 19.9% while adult population grew by 16.3%. This is an evidence that per capita cigarette consumption in general and cigarette consumption among adults went up. In 1994-1998, while advertising was active annual cigarette consumption changed insignificantly and was stable at 240-250 billion sticks p.a., i.e. remained at the level of 1980-1985 recalculated per capita.

We believe it is important to understand that major share in outdoor advertising is that of tobacco products. Therefore, a decision in favor of prohibitive measures with regard to tobacco outdoor advertising may result, apart from losses to the advertising sector of economy, in significant losses in budget revenues from profit and value added tax from advertising companies and direct losses of municipal and other local budgets as a result of reduced lease, registration and other types of payment. Annual economic damage caused by sharp reduction in revenues to all budgets, non-budget funds and unemployment benefits can be at least US$ 14 million.

The Russian Advertising Council is of the opinion that the Russian tobacco market is efficiently regulated by the federal legislation, including Law of RF “On Advertising” and legislative rules.