4.5. CY – Cyprus – National legal summary¹¹⁴

4.5.1. Applicable regulatory framework

Relevant legislation includes the following:

Primary legislation:

- Ο περί Ραδιοφωνικών και Τηλεοπτικών Οργανισμών Νόμος του 1998 μέχρι (Αρ. 2) του 2021¹¹⁵ (Radio and Television Broadcasters Law 7(I)/1998 as subsequently amended RTV Law).
- Ο περί Στοιχημάτων Νόμος 37(I)/2019 ¹¹⁶ (Betting Law 37(I)/2019).
- Ο περί Ραδιοφωνικού Ιδρύματος Κύπρου (Τροποποιητικός) Νόμος του 2021117 (Cyprus Broadcasting Foundation (Amendment)
- Ο περί Ραδιοφωνικών και Τηλεοπτικών Οργανισμών (Τροποποιητικός) (Αρ. 2) Νόμος του 2021 εκδίδεται με δημοσίευση στην Επίσημη Εφημερίδα της Κυπριακής Δημοκρατίας σύμφωνα με το Άρθρο 52 του Συντάγματος.¹¹⁸ (Radio and Television Organisations (Amendment) (No.2)- RTV Law)

4.5.2. Definitions and restrictions regarding commercial communications

This section aims at identifying the relevant definitions related to commercial communications stemming from related laws, rules and current practices, as well as ongoing reforms under the transposition and implementation of the revised AVMS Directive. Please note that this review includes definitions which are part of the revised AVMSD, inclusive of audiovisual commercial communications, advertising, surreptitious commercial communications, sponsorship and product placement, but also the definitions of supplementary and/or related concepts, such as the advertiser, sponsor and sponsored content, as well as misleading commercial communication, for the purpose of providing a comprehensive overview.

¹¹⁴ The factsheet on Cyprus incorporates the feedback received from Constandia Michaelidou, Radiotelevision Legal Officer at the Cyprus Radiotelevision Authority, during the checking round with the national regulatory authorities.

¹¹⁵ https://drive.google.com/file/d/1zFrjwc-EMFsglPAlj1pOYh97QsKYIVyu/view?usp=sharing.

¹¹⁶ <u>http://www.cylaw.org/nomoi/enop/non-ind/2019 1 37/full.html.</u>

¹¹⁷ <u>https://www.nomoplatform.cy/bills/o-peri-radiofwnikoy-idrymatos-kyproy-nomos-2021/</u>

¹¹⁸ <u>http://www.cylaw.org/nomoi/arith/2021_1_197.pdf</u>

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4.5.2.1. Definitions

Table 31. Definition of the main concepts related to commercial communications

Concept	Existence of a definition
Audiovisual commercial communications	Yes.
Television advertising	Yes.
Advertiser	No.
Surreptitious commercial communication	Yes.
Misleading commercial communication	No.
Virtual advertising	No.
Sponsorship	Yes.
Sponsor	No.
Sponsored content	No.
Product placement	Yes.
Other:	/

Source: Cyprus response to European Audiovisual Observatory standardised survey

4.5.2.1.1. Audiovisual commercial communications

RTV Law, in section 2, defines audiovisual commercial communications by transposing the text of the revised AVMSD verbatim as follows:

images with or without sound which are designed to promote, directly or indirectly, the goods, services or image of a natural or legal person pursuing an economic activity, which (images) are accompanied by or are included in a programme in return for payment or for similar consideration or for self-promotional purposes. Forms of audiovisual commercial communication include, inter alia, television advertising, sponsorship, teleshopping and product placement;

4.5.2.1.2. Television advertising

Section 2 of RTV Law defines television advertising as:

any form of television communication broadcast for payment or for similar consideration or for self-promotional purposes by a public or private undertaking or natural person in the course of a commercial, industrial or craft activity or profession, for the purpose of promoting the supply of goods or services, including immovable property, rights and obligations, in return for payment;

4.5.2.1.3. Advertiser

There is no definition of advertiser.

4.5.2.1.4. Surreptitious commercial communication

The RTV Law, section 2, defines surreptitious commercial communication as:

the oral or visual presentation, in programmes of goods or services, of the name, trade mark or activities of a producer of goods or a provider of services, where such presentation is made by the audiovisual media service provider for advertising purposes and is likely to mislead the public as to the nature of that presentation. Such a presentation shall be deemed to be made intentionally, in particular where it is made for payment or for similar consideration;

4.5.2.1.5. Misleading commercial communication

There is no definition of misleading commercial communication.

4.5.2.1.6. Virtual advertising

There is no definition of virtual advertising.

4.5.2.1.7. Sponsorship

Section 2 of the RTV Law defines sponsorship by transposing the text of the revised AVMSD verbatim as follows:

any contribution made by public or private undertakings or natural persons not engaged in providing audiovisual media services or video-sharing platform services or in producing audiovisual works to the financing of audiovisual media services, video-sharing platform services, user-generated videos or programmes with a view to promoting their name, trade mark, image, activities or products.

4.5.2.1.8. Sponsor

There is no definition of sponsor.

4.5.2.1.9. Sponsored content

There is no definition of sponsored content.

4.5.2.1.10. Product placement

Section 2 of the RTV Law provides the definition of product placement by transposing the text of the revised AVMSD verbatim as follows:

any form of audiovisual commercial communication consisting of the presentation of or reference to a product, service or trademark thereof so that it is displayed within a programme, in return for payment or for similar consideration;

4.5.2.1.11. Other definitions

N/A.

4.5.2.2. Restrictions regarding commercial communications

The revised AVMSD introduces obligations for video-sharing platforms to, *inter alia*, respect certain requirements regarding commercial communications and this section aims at updating the information relative to these obligations and measures imposed under national legislation on media service providers, including VSP providers related to commercial communications.

On a general note, it is emphasised that Article 32(F) (2) of the RTV Law stipulates that:

(2) Video-sharing platform providers under the jurisdiction of the Republic of Cyprus shall comply with the requirements set out in Article 30E(1) with respect to audiovisual commercial communications that are marketed, sold or arranged by those video-sharing platform providers.

(3) Video-sharing platform providers under the jurisdiction of the Republic of Cyprus shall take appropriate measures to comply with the requirements set out in Article 30E(1) with respect to audiovisual commercial communications that are not marketed, sold or arranged by those video-sharing platform providers, taking into account the limited control exercised by those video-sharing platforms over those audiovisual commercial commercial communications.

4.5.2.2.1. Audiovisual commercial communications for alcoholic beverages and tobacco and tobacco-related products, including electronic cigarettes and refill containers

Section 30E(2) of the RTV Law concerns audiovisual commercial communications of alcoholic beverages in on-demand audiovisual services and provides that section 33(4) applies to audiovisual commercial communications, which, in turn, stipulates that

television advertising and teleshopping of alcoholic beverages must not be aimed specifically at minors nor encourage immoderate consumption of such drinks.

Section 30E(1)(e) of the RTV Law relates to the prohibitions vis-à-vis tobacco and tobacco-related products: "All forms of audiovisual commercial communications for cigarettes and other tobacco products, as well as for electronic cigarettes and refill containers, shall be prohibited."

In addition, section 30E (1)(f) stipulates that media service providers must ensure that the audiovisual commercial communications of alcoholic beverages that they transmit must not be aimed specifically at minors and must not encourage immoderate consumption of such beverages.

4.5.2.2.2. Audiovisual commercial communications for medicinal products and medical treatment available only on prescription in the member state

The RTV Law, in section30E (1) (g), stipulates that: "Audiovisual commercial communications for medicinal products and medical treatment available only on prescription in the Republic shall be prohibited."

4.5.2.2.3. Surreptitious audiovisual commercial communications

The RTV Law, section 30E (1) (b), prohibits surreptitious audiovisual commercial communications: "Surreptitious audiovisual commercial communication shall be prohibited."

4.5.2.2.4. Subliminal techniques in commercial communications

Section 30E (1) (c) of the RTV Law stipulates that: "Audiovisual commercial communications shall not use subliminal techniques."

4.5.2.2.5. Prejudice with regard to human dignity

Section 30E (1) (d) (i) of the RTV Law stipulates that: "Audiovisual commercial communications shall not prejudice respect for human dignity."

4.5.2.2.6. Inclusion or promotion of any discrimination (on the grounds of e.g., sex, racial or ethnic origin, nationality, religion, etc.)

The RTV Law, section 30E (1) (d) (ii), provides that: "Audiovisual commercial communications shall not include or promote any discrimination based on sex, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation".

4.5.2.2.7. Encouragement of behaviour prejudicial to health or safety

Section 30E (1) (d) (iii) of the RTV Law states: "Audiovisual commercial communications shall not encourage behaviour prejudicial to health or safety."

4.5.2.2.8. Encouragement of behaviour grossly prejudicial to the protection of the environment

The RTV Law, in section 30E (1) (d) (iv), reads that: "Audiovisual commercial communications shall not encourage behaviour which is manifestly prejudicial to the protection of the environment."

4.5.2.2.9. Causing physical, mental or moral detriment to minors

Section 30E (1) (h) of the RTV Law establishes prohibitions regarding the protection of minors by providing that audiovisual commercial communications shall not:

i) cause physical, mental or moral detriment to minors; or
ii) directly exhort minors to buy or hire a product or service by exploiting their inexperience or credulity, or
iii) directly encourage them to persuade their parents or others to purchase the goods or services being advertised, or

iv) exploit the special trust minors place in parents, teachers or other persons, or *v*) unreasonably show minors in dangerous situations.

4.5.2.2.10. Other

N/A.

4.5.3. Sponsorship and product placement

Certain obligations stem from the revised AVMSD vis-à-vis sponsorship and product placement and this part aims at identifying the rules and practices pertaining to these two specific categories of commercial communications.

4.5.3.1. Sponsorship

While not directly applicable to VSPs, Section 30H of the RTV Law requires sponsored audiovisual media services or programmes to meet the following requirements: that they may not directly encourage the purchase or rental of goods or services, and that they must inform clearly viewers of the existence of a sponsorship agreements.

Section 300 prohibits the sponsorship by undertakings the principal activity of which is the manufacture or sale of cigarettes and other tobacco products, as well as electronic cigarettes and refill containers. According to Section 30I, the sponsorship of audiovisual media services or programmes by undertakings whose activities include the production or sale of medicines and therapeutic products may promote the name or image of the undertaking, but not specific medicines or therapeutic products available only on prescription in the Republic within whose jurisdiction the audiovisual media service provider is subject.

Finally, section 30K of the RTV prohibits sponsoring of news and current affairs programmes, such as news bulletins and political informational programmes, while a sponsorship logo during children's programmes, documentaries and religious programmes is allowed only for three minutes at the beginning of the programme and for three minutes before its end.

4.5.3.2. Product placement

Section 30G of the RTV Law allows product placement in all audiovisual media services, except in news and current affairs programmes, consumer affairs programmes, religious and children's programmes.

Section 30G(3) of the RTV Law, further stipulates that such programmes:

(a) Programmes that contain product placement shall meet the following requirements: (a) their content and organisation within a schedule, in the case of television broadcasting, or within a catalogue in the case of on-demand audiovisual media services, shall under no circumstances be influenced in such a way as to affect the responsibility and editorial independence of the audiovisual media service provider;

(b) shall not directly encourage the purchase or rental of goods or services, in particular by making special promotional references to those goods or services;

(c) shall not give undue prominence to the product in question; in particular by means of close-up images and/or prolonged display of the product;

(d) (i) shall clearly inform viewers about the existence of product placement via appropriate identification at the start and at the end of the programme, and when a programme resumes after an advertising break, in order to avoid any confusion on the part of the viewer.

The programmes which are exempted from the aforementioned requirements are programmes which are not produced or commissioned by a media service provider or by a company affiliated with that media service provider, provided that the media service provider does not financially benefit from the product placement.

The total time of transmission and/or reference to products and services, in product placement messages, is limited to a minimum of the total time of the programme in which they are placed and in any case may not exceed three minutes in the case of cinematographic works and television films and one minute in the case of episodes of series, sports programmes and light entertainment.



Product placement of tobacco, tobacco-related products, electronic cigarettes and refill containers as well as of specific medicinal products or medical treatments available only on prescription in Cyprus is prohibited, as well as children's toys, or any other commercial communication for non-permissible products.

4.5.4. Obligations regarding (v)blogs and (v)blogging

N/A.

4.5.5. Other relevant information

N/A.

4.5.6. Content-related rules regarding commercial communications for VSP providers

While certain restrictions regarding the content of commercial communications stem from the revised AVMSD and relate to issues connected to the protection of minors and restrictions on the advertising of certain products and services, this part deals with less-explored notions, such as rules pertaining to gambling, environmental claims vis-à-vis products and services, etc.

4.5.6.1. Advertising of, or on behalf of, associations that are wholly or mainly concerned with religion, faith and other belief systems

No specific provisions deal with this issue.

4.5.6.2. Gambling, betting, betting tipsters, etc.

There is a general provision in section 89 of the Betting Law 37(I)/2019 which provides restrictions for any person who advertises bets in a manner that:

a) implies that these are connected to or promote social acceptance, personal or financial success or resolution of any person, financial or social problems, or

b) includes the support of known personalities in a manner that implies that this is related to their success, or

c) may influence any minor persons to participate in this or

d) promotes it by using services of persons who do not hold a Class A or B license or are not an authorised agent, or

e) exceeds the limits of honesty and decency, is guilty of a criminal offence and in case of conviction is subject to a penalty of imprisonment not exceeding six months or to a monetary fine not exceeding 30 000 euros or to both fines.

4.5.6.3. Environmental or "green" claims for products

No specific provisions deal with this issue.

4.5.6.4. Other

N/A.

4.5.7. Self- and co-regulation and enforcement

This section aims at identifying the legal framework and practice for self- or co-regulatory schemes and measures regarding commercial communications on VSPs, including identification of the body or bodies in charge of self- and co-regulation and enforcement powers with regard to commercial communications and VSPs, as well as the scope of their activities with regard to commercial communications and VSPs.

4.5.7.1. Self- and co-regulatory bodies

4.5.7.1.1. Context of establishment and legal background

In section 31B of the RTV Law, it is provided that the Cyprus Radio-Television Authority (CRTA)¹¹⁹ must encourage media service providers to promote the use of co-regulation and the fostering of self-regulation through codes of conduct at a national level. Section 32F(10) states that for the purposes of the implementation of the measures that the VSPs should apply, as referred to in section 32F(1)(3)(6)-(9), the CRTA shall encourage the use of co-regulation as provided for in section 31B(1). No such codes have so far been enacted by video-sharing platforms. Section 32F(5) encourages co-regulation and self-regulation aimed at effectively reducing the exposure of children to unhealthy foods on VSPs.

¹¹⁹ Αρχή Ραδιοτηλεόρασης Κύπρου, <u>http://www.crta.org.cy/</u>.

4.5.7.1.2. Stakeholders involved

The main purpose of the Cyprus Advertising Regulation Organisation (CARO)¹²⁰ Is to ensure that the content of advertisements displayed in Cyprus is legal, decent, honest, and truthful.

4.5.7.1.3. Scope and objectives

The scope of the self-regulatory instruments includes:

- ACCs for HFSS foods and beverages
- Inappropriate ACCs for alcoholic beverages
- ACCs which encourage behaviours grossly prejudicial to the protection of the environment

4.5.7.1.4. Code(s) of conduct

The codes, envisaged by section 31B of the RTV Law should be broadly accepted, while the CRTA remains free to require media service providers under the jurisdiction of the Republic to comply with more detailed or stricter rules.

CARO has produced a general code of Ethics¹²¹ with specialised annexes dedicated to advertisements and children, food and non-alcoholic beverages, promotional actions, alcoholic beverages, and beer.

4.5.7.1.5. Role of the (self-)regulatory bodies

N/A.

4.5.7.1.6. Period of activity (if limited)

N/A.

4.5.7.1.7. Role of the regulatory authority in a co-regulatory system

4.5.7.1.7.1. Regulatory body

Besides encouragement for the establishment of self- and co-regulatory codes, the CRTA is, according to section 32E(8), in charge of keeping and updating a list of video-sharing platform providers and assessing the measures adopted by VSPs (section 32(F)(11)).

¹²⁰ Φ ο ρέας Ε λέγ χου Διαφήμισης: <u>http://www.fed.org.cy/fed/page.php?pageID=7</u>. ¹²¹ Φορέας Ελέγχου Διαφήμισης: <u>http://www.fed.org.cy/fed/page.php?pageID=60&mpath=/138/139</u>.

4.5.7.1.7.2. Co-regulatory scheme

As stipulated earlier, the CRTA must encourage the establishment of self- and co-regulatory codes.

4.5.7.1.7.3. Relationship and roles of stakeholders

N/A.

4.5.7.2. Monitoring/evaluation, compliance and sanctioning powers

Section 32G of the RTV Law provides the possibility for the CRTA to impose administrative sanctions on VSPs in case of violation of the provisions of the RTV Law and regulations issued (the CRTA is in the process of drafting these regulations).

4.5.8. Cross-sector and cross-border collaboration

N/A.

4.5.9. Update on plans and practices related to new obligations of VSPs

N/A.

4.5.10. Studies, reports and research

N/A.

4.5.11. Data compilation

This factsheet is based on data compiled by Professor Dr. Achilles Emilianides, Dean of the School of Law of the University of Nicosia and Sofia Iordanidou, Associate Professor of Journalism and Communication at the Open University of Cyprus.