Repeat offender WhatsApp fined \$270M for EU privacy violation

Article





The news: Facebook-owned WhatsApp was **fined \$270 million** for breaking the European Union's data privacy rules, per The Verge. Ireland's Data Protection Commission (DPC) found that WhatsApp failed to properly inform EU citizens how it handles their personal data, particularly how it shares that data with parent company Facebook.





- The DPC ordered WhatsApp to update its privacy policy informing users about personal data sharing. This will bring it into compliance with Europe's General Data Protection Regulation (GDPR), which governs how tech companies gather and use data in the EU.
- The GDPR came into effect in May 2018, and WhatsApp was <u>one of the first</u> companies hit with a privacy lawsuit under the regulatory regime.
- WhatsApp will appeal the decision. "We disagree with the decision today regarding the transparency we provided to people in 2018 and the penalties are entirely disproportionate," a WhatsApp spokesperson told The Verge.

How we got here: WhatsApp's porous privacy policy and how it shares user data with Facebook have raised the ire of regulators in various countries—and its run-ins with the EU on GDPR privacy breaches expose a consistent trend of flouting privacy regulations to sustain Facebook's wider monetization objectives.

- WhatsApp sued the Indian government in May to shift attention away from its privacy policy. Indian officials have repeatedly called on WhatsApp to withdraw its <u>absolutist</u> privacy update, <u>citing</u> "grave concern" for Indian users' privacy.
- Regulators in Germany used an emergency procedure to stop Facebook from sharing WhatsApp data for three months in May because of WhatsApp's contentious privacy policy.

The bigger picture: The lack of transparency regarding how WhatsApp uses customer data will continue to stir up regulatory scrutiny and litigation until WhatsApp updates its privacy policy accordingly.

 WhatsApp's feuds with privacy regulators over its data gathering and sharing make a case for breaking up Big Tech companies that funnel user information from one service to serve the advertising and monetization goals of another.

Dig deeper: For a more granular look at WhatsApp's history of privacy entanglements, read Sara M. Watson's report: <u>WhatsApp: A case study in consumer trust</u>





WhatsApp User Growth in Select Countries, 2020 & 2021 % change

	2020	2021
Argentina	13.6%	2.7%
Australia	11.0%	0.3%
Austria	9.1%	2.4%
Brazil	13.7%	3.7%
Canada	9.2%	3.1%
Finland	11.2%	1.8%
France	16.6%	3.5%
Germany	6.0%	0.6%
India	28.8%	10.0%
Indonesia	14.8%	7.2%
Italy	9.1%	2.9%
Mexico	11.0%	2.3%
Netherlands	5.0%	1.8%
Russia	17.0%	2.9%
Spain	7.4%	1.8%
Sweden	6.8%	2.2%
Switzerland	8.2%	3.5%
US	11.6%	4.5%

once per month Source: eMarketer, June 2021

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