

## Court approves record \$5 bn fine of Facebook over privacy

April 25 2020



Facebook said it is already implementing provisions of a privacy settlement with US authorities, approved this week by a federal judge, which included a record \$5 billion fine over data protection missteps

US regulators on Friday welcomed a "historic" \$5 billion settlement with



Facebook over data privacy as the social network said it was already implementing the provisions of the deal.

The deal between the leading social network and the US Federal Trade Commission became official with the approval Thursday of a federal judge.

Along with the fine, the settlement announced last July requires Facebook to ramp up <u>privacy protections</u>; provide detailed quarterly reports on compliance with the deal, and have an independent oversight board.

Some privacy activists had challenged the deal claiming it let off Facebook too easy after the Cambridge Analytica scandal that allowed the hijacking of personal data of millions of users ahead of the 2016 US presidential election.

FTC chairman Joe Simons said in a statement he was "pleased" with the court approval, pointing out it was the largest monetary penalty ever obtained by consumer protection agency.

"At the same time, the court also highlights that the conduct relief included in this <u>settlement</u> will require Facebook 'to consider privacy at every stage of its operations and provide substantially more transparency and accountability for its executives' privacy-related decisions," Simons said.

The agreement goes beyond measures required by US law and should "serve as a roadmap for more comprehensive privacy regulation," Facebook chief privacy officer Michel Protti said in a blog post.

"We hope this leads to further progress on developing consistent legislation in the US and elsewhere," Protti said.



"Ultimately, our goal is to honor people's privacy and focus on doing what's right for people."

The FTC reopened its investigation of Facebook's data handling following revelations of the Cambridge Analytica scandal and other missteps by the California giant.

Facebook has created dozens of team devoted to privacy and has thousands of people working on privacy-related projects, according to Protti.

"This agreement has been a catalyst for changing the culture of our company," Protti said.

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