Meta faces $100K daily fine from Norway regulator over privacy concerns in user advertising

July 17 2023, by Wyatte Grantham-Philips

Credit: Unsplash/CC0 Public Domain

Meta will face a hefty fine over advertising practices that violate user privacy, Norway's data protection authority said Monday, unless the
Facebook and Instagram owner takes action to comply with the law.

Norwegian regulator Datatilsynet says that behavioral advertising—a common marketing model that profiles users by collection information like their physical locations, among other data—without consent is illegal. Because of this, Datatilsynet imposing a "temporary ban" of such practices on Facebook and Instagram.

During the ban, which starts August 4, Meta risks a fine of up to 1 million Norwegian kroner (nearly $100,000) each day. The ban will "last for three months, or until Meta can show that it complies with the law," Datatilsynet said.

This decision "does not ban Facebook or Instagram in Norway," Tobias Judin, the Norwegian Data Protection Authority's international department head, stated in a release. "The purpose is rather to ensure that people in Norway can use these services in a secure way and that their rights are safeguarded."

In a statement sent to The Associated Press on Monday, Meta said that the company will review Datatilsynet's decision—and added that there is "no immediate impact" to its services.

"The debate around legal bases has been ongoing for some time and businesses continue to face a lack of regulatory certainty in this area," Meta said. "We continue to constructively engage with the Irish (Data Protection Commission), our lead regulator in the EU, regarding our compliance with its decision."

Norway is not a member nation of the European Union, but is included in the European Economic Area (EEA).

In Monday's announcement, Datatilsynet pointed to a December decision
from the Irish DPC, which ordered Meta to bring behavioral advertising in line with European law by April. The regulator also nodded a recent judgement from the EU's top court, which outlined how Meta's practices still didn't comply with the law.

"Nonetheless, Meta continues its practices," Judin told The AP over email. "Considering the recent legal developments and Meta's inaction, we consider it urgent to intervene. If not, we fear that Meta would continue delaying compliance."

A behavioral advertising ban beyond Norway is possible. Datatilsynet says it may take the matter to the European Data Protection Board, which could extend the three-month ban and led to wider implications across the continent.

Meta has been under fire over data privacy for some time. In May, for example, the EU slapped Meta with a record $1.3 billion fine and ordered it to stop transferring users' personal information across the Atlantic by October. And the tech giant's new text-based app, Threads, has not rolled out in the EU due to privacy concerns.

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