

# Mark Zuckerberg's Companies fined \$2.8 billion for wrongful User Data Processing



Europe's General Data Protection Regulation (GDPR) has earned a global reputation as one of the most stringent privacy and security laws, primarily due to imposing substantial fines on violators. Notably, Meta Platforms (NASDAQ: META), a major player in the technology industry, has emerged as a significant casualty, facing fines totaling billions of dollars.

According to data gathered by Finbold as of January 17, Mark Zuckerberg's companies fined \$2.8 billion for wrongful user data processing - GDPR report. The largest fine, totaling \$1.3 billion, was imposed on Meta Platforms Ireland Limited in May 2023 for insufficient legal basis for data processing. This record-setting fine constitutes nearly half, or 48%, of all penalties incurred by Meta for GDPR breaches.

Meta Platforms, Inc. incurred the second-highest fine, amounting to \$441.45 million in September 2022, while the third-largest penalty of \$425.1 million was imposed on Meta Platforms Ireland Limited in January 2023. The fourth-largest fine, totaling \$288.85 million, was recorded in November 2022, also against the

Ireland entity. WhatsApp Ireland also incurred a fine of \$5.9 million in January 2023. Among the penalties, Facebook Germany GmbH was fined the least amount at \$55,590 in December 2019.

### **Intrigues behind Meta's record fines**

It's noteworthy that Meta's fine of \$1.3 billion came about as the social media giant faced accusations of inadequately protecting European Facebook user data when transferring it to the United States, leaving it vulnerable to intelligence agencies. The fine was levied based on the requirement for companies to store data in the country where it is collected rather than permitting unrestricted movement to global data centers. At the same time, imposing fines does not necessarily mean that Meta will pay them, as the company currently has pending appeals. Successful appeals could lead to a reduction or complete elimination of the fines.

Importantly, GDPR investigations, known for their time-intensive nature spanning several months, suggest a possibility of further penalties against Meta.

Meta's influential role as a key player in technology may have contributed to the imposed fines. With its dominance and the pervasive role of technology in daily life, the company manages vast amounts of personal data from billions of customers. This places the Mark Zuckerberg-owned firm under rigorous scrutiny for its data handling practices, a situation affecting numerous technology companies.

Overall, most entities have found it challenging to comply with GDPR's need to manage personal data, hire data protection officers, promptly report data breaches, and enable customer data downloads. Challenges in compliance also emerge in marketing, profiling, and obtaining consent.

### **Understanding Meta Ireland's high fines**

Upon examination of the fines, it's clear that Meta Ireland has been notably impacted. Influencing factors include the country's efforts to empower Ireland's Data Protection Commissioner (DPC), making it easier to impose penalties on tech companies, particularly those with their European headquarters in Ireland, such as Meta.

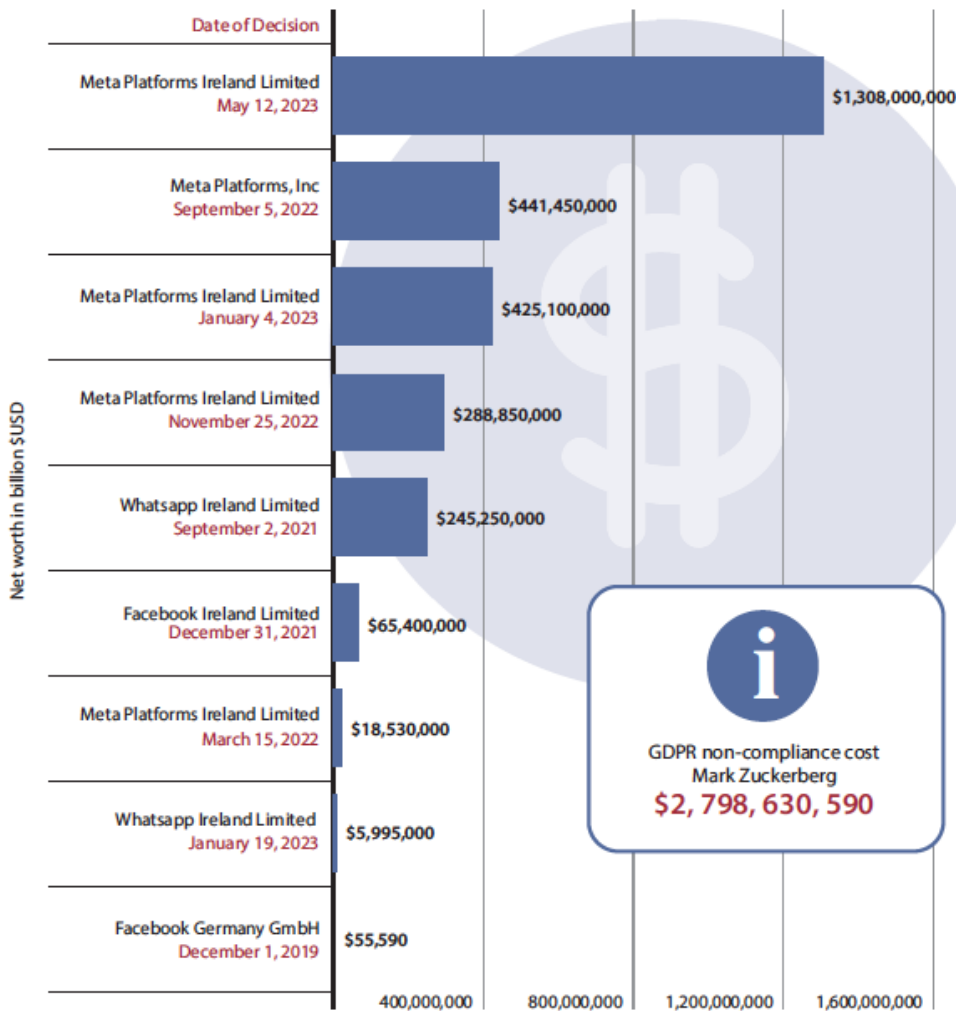
The implementation of fines by the DPC also underscores how various countries interpret GDPR guidelines differently. Some market players describe GDPR fines as rife with ambiguities and inconsistencies, creating the potential for diverse enforcement. These factors paved the way for possible legal battles, especially for firms such as Meta that have incurred the highest fines.

### Mark Zuckerberg's Companies Fined for GDPR Breaches

Details: The General Data Protection Regulation (GDPR) is a stringent European Union regulation governing information privacy in the European Union and the European Economic Area. Figures in USD have been converted from the initial fines in EUR, using a conversion rate of 1.09 as of January 17, 2024.

Sources: Finbold, Enforcement Tracker

● Fine (in USD)



Company	Date of decision	Fine (in EUR)	Fine (in USD)	Type
Meta Platforms Ireland Limited	May 12, 2023	€1,200,000,000.00	\$1,308,000,000	Insufficient legal basis for data processing
Meta Platforms	September 5, 2022	€405,000,000.00	\$441,450,000	Non-compliance with general data processing principles
Meta Platforms Ireland Limited	January 4, 2023	€390,000,000.00	\$425,100,000	Non-compliance with general data processing principles
Meta Platforms Ireland Limited	November 25, 2022	€265,000,000.00	\$288,850,000	Insufficient technical and organisational measures to ensure information security
WhatsApp Ireland Limited	September 2, 2021	€225,000,000.00	\$245,250,000	Insufficient fulfilment of information obligations
Facebook Ireland Limited	December 31, 2021	€60,000,000.00	\$65,400,000	Insufficient legal basis for data processing
Meta Platforms Ireland Limited	March 15, 2022	€17,000,000.00	\$18,530,000	Insufficient technical and organisational measures to ensure information security
WhatsApp Ireland Limited	January 19, 2023	€5,500,000.00	\$5,995,000	Insufficient legal basis for data processing
Facebook Germany GmbH	December 1, 2019	€51,000.00	\$55,590	Insufficient involvement of data protection officer

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