



Commission coordinates action by national consumer protection authorities against Meta on 'pay or consent' model

Brussels, 22 July 2024

Today, the [Consumer Protection Cooperation \(CPC\) Network](#) sent a letter following concerns that Meta's 'pay or consent' model might breach EU consumer law. The Commission coordinated this action which is led by the French Directorate General for Competition, Consumer Affairs and Fraud Prevention. The action started in 2023, immediately after Meta had requested consumers overnight to either subscribe to use Facebook and Instagram against a fee or to consent to Meta's use of their personal data to be shown personalised ads, allowing Meta to make revenue out of it ('pay or consent').

Consumer protection authorities assessed several elements that could constitute misleading or aggressive practices, in particular whether Meta provided consumers upfront with true, clear and sufficient information. They analysed whether this information allowed consumers to understand the implications of their decision to pay or to accept the processing of their personal data for commercial purposes on their rights as consumers. In addition, CPC authorities are concerned that many consumers might have been exposed to undue pressure to choose rapidly between the two models, fearing that they would instantly lose access to their accounts and their network of contacts.

This coordinated action by the CPC network against Meta comes on top of other ongoing EU and national procedures related to the same model. Today's action focuses specifically on the assessment of Meta's practices **under EU consumer law** and is distinct from the ongoing [investigations against the company by the Commission on its 'pay or consent' model potentially breaching the Digital Markets Act \(DMA\)](#), the [Commission's formal request for information under the Digital Services Act \(DSA\)](#), and the assessment by the Irish Data Protection Commission under the General Data Protection Regulation (GDPR).

Key elements of the action against Meta:

CPC authorities identified several practices in the context of Meta's roll-out of its new business model that raise concern and could potentially be considered unfair and contrary to the [Unfair Commercial Practices Directive](#) (UCPD) and the [Unfair Contract Terms Directive](#) (UCTD):

- Misleading consumers by using the word 'free' while, for users who do not want to subscribe against a fee, Meta requires them to accept that Meta can make revenue from using their personal data to show them personalised ads;
- Confusing users by requiring them to navigate through different screens in the Facebook/Instagram app or web-version and to click on hyperlinks directing them to different parts of the Terms of Service or Privacy Policy to find out how their preferences, personal data, and user-generated data will be used by Meta to show them personalised ads;
- Using imprecise terms and language, such as 'your info' to refer to consumers' 'personal data' or suggesting that consumers who decide to pay will not see ads at all, while they might still see ads when engaging with content shared via Facebook or Instagram by other members of the platform;
- Pressurising consumers who have always used Facebook/Instagram free of charge until the new business model was introduced, and for whom Facebook/Instagram often constitute a significant part of their social lives and interactions to make an immediate choice, without giving them a pre-warning, sufficient time, and a real opportunity to assess how that choice might affect their contractual relationship with Meta, by not letting them access their accounts before making their choice.

Next Steps

Meta has until 1 September 2024 to reply to the letter of the CPC network and the Commission and to propose solutions. If Meta does not take the necessary steps to solve the concerns raised, CPC authorities can decide to take enforcement measures, including sanctions.

Background

Cross-border enforcement cooperation under the CPC Regulation (EU) 2017/2394

The [CPC Network](#) is a network of authorities responsible for the enforcement of EU consumer protection laws. Under the [Consumer Protection Cooperation Regulation](#), and with the coordination of the European Commission, it can take action to address cross-border issues at EU level. Moreover, within the same framework, consumer associations, such as the European Consumer Organisation (BEUC), can post alerts about emerging market threats and their information is then directly accessible by enforcement authorities.

On 30 November 2023, BEUC [alerted](#) the CPC network about potentially misleading and aggressive practices in Meta's new subscription model. In addition, CPC authorities from different Member States received several complaints from national organisations in this regard.

Relevant substantive consumer law provisions

Articles 5-9 of the [Directive concerning unfair business-to-consumer commercial practices in the internal market](#) prohibits unfair commercial practices in the form of misleading or aggressive actions or misleading omissions. The European Commission's [Guidance Notice on the interpretation and application of the UCPD](#) provides further specific information about claims that can be considered to be misleading under the UCPD.

Article 3 of the [Directive on unfair terms in consumer contracts](#) prohibits contract terms that, contrary to the requirement of good faith, cause a significant imbalance in the parties' rights and obligations arising under the contract to the detriment of the consumer. The European Commission's [Guidance Notice on the interpretation and application of the UCTD](#) provides specific information about contract terms to be considered unfair.

On 1 March 2024, the Commission formally sent Meta a request for information under the [DSA](#) to provide more information related to the Subscription for no Ads options for Facebook and Instagram that Meta introduced for users in the EU in November 2023.

On 25 March 2024, the Commission opened proceedings against Meta to investigate whether the 'pay or consent' model, introduced for users in the EU in November 2023, complies with Article 5(2) of the [DMA](#) which requires gatekeepers, such as Meta, to obtain consent from users when they intend to combine users' personal data between designated core platform services and other services. On 1 July 2024, the Commission sent its preliminary findings to Meta, informing them that their 'pay or consent' advertising model fails to comply with DMA.

For More Information

[Social media and search engines - European Commission](#)

More information on the [consumer enforcement actions](#)

[Unfair commercial practices directive](#)

[Consumer Protection Cooperation Network](#)

IP/24/3862

Quotes:

"We will not stand by and watch some sneaky practices that mislead consumers. We are proud of our strong consumer protection laws which empower Europeans to have the right to be accurately informed about changes such as the one proposed by Meta. In the EU, consumers are able to make truly informed choices and we now take action to safeguard this right."

Věra Jourová, Vice-President for Values and Transparency - 22/07/2024

"Consumers must not be lured into believing that they would either pay and not be shown any ads anymore, or receive a service for free, when, instead, they would agree that the company used their personal data to make revenue with ads. EU consumer protection law is clear in this respect. Traders must inform consumers upfront and in a fully transparent manner on how they use their personal data. This is a fundamental right that we will protect."

Didier Reynders, Commissioner for Justice - 22/07/2024

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