

SOFTWARE AND TECHNOLOGY

Meta threatens to pull Facebook, Instagram from Europe

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Meta claims it will remove Facebook and Instagram from Europe if the U.S. and EU do not reach an agreement on data-sharing. Image credit: Unsplash

By LUXURY DAILY NEWS SERVICE

Media company Meta Platforms, formerly Facebook, has threatened to shut down two of its largest social media platforms, Facebook and Instagram, in Europe over data-sharing demands.

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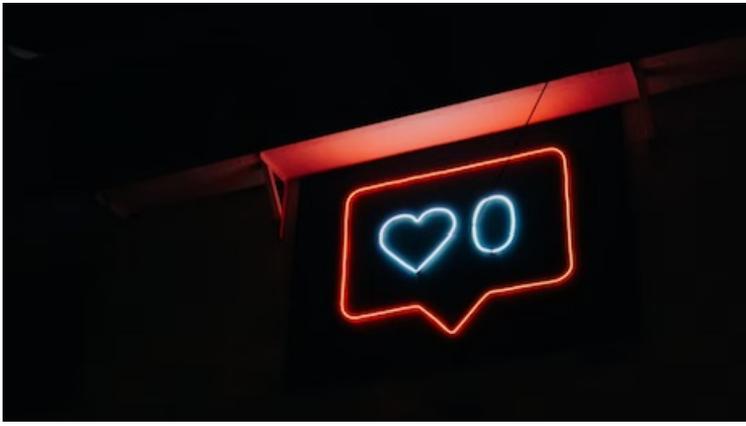
In its annual **SEC filing report** released last week, the company expressed concerns over ongoing disputes between the United States and European Union regarding data transfer regulations. On Feb. 7, the company called on the governing bodies to institute clear rules to protect transatlantic data flows.

"If a new transatlantic data transfer framework is not adopted, we will likely be unable to offer a number of our most significant products and services, including Facebook and Instagram, in Europe," the company said, in the report. "[This] would materially and adversely affect our business, financial condition and results of operations."

In hot water

U.S. and EU regulators have been negotiating for nearly two years over a plan to replace the transatlantic data transfer plan that was blocked by the European Court of Justice in 2020.

In its ruling, the court expressed concern that the United States did not, or would not, protect citizens' private information.



The media company could suffer significant financial losses if it pulled its two best-performing platforms from the region. Image credit: Unsplash

Following the report's release on Thursday, Meta's stock value plummeted by more than \$230 billion, the largest recorded daily loss for a U.S. company.

Further, the company reported that Facebook's daily active user count fell for the first time since it was founded 18 years ago, which founder Mark Zuckerberg attributes primarily to younger users leaving for rivals TikTok and YouTube.

According to a [2021 survey](#) by Forrester, Instagram weekly usage by Gen Z, ages 12-17, fell 4 points from 2020 to 2021, while TikTok weekly usage increased by 13 percent.

Gen Z youth members cited entertainment value, short-form variety and positive self-expression as the top reasons why they prefer TikTok over other apps like Instagram and Snapchat, with Facebook having seemingly disappeared from this young cohort's cultural zeitgeist ([see story](#)).

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