

Notice: This document is an unofficial translation of the Swedish Authority for Privacy Protection's (IMY) decision 2021-12-06, no. DI-2021-2135. Only the Swedish version of the decision is deemed authentic.

Ref no:
DI-2021-2135, IMI no. 134681

Date of decision:
2021-12-06

Date of translation:
2021-12-07

Supervision under the General Data Protection Regulation – Klarna Bank AB

Final decision of the Swedish Authority for Privacy Protection (IMY)

The Swedish Authority for Privacy Protection (IMY) finds that the investigation has not shown that Klarna Bank AB has processed the complainant's personal data in violation of Article 12(3), 12(4) and 17(1) of the General Data Protection Regulation (GDPR)¹.

The case is closed.

Report on the supervisory report

The case handling

The Swedish Authority for Privacy Protection (IMY) has initiated supervision of Klarna Bank AB (Klarna or the company) due to a complaint. The complaint has been submitted to IMY, in its capacity as responsible supervisory authority pursuant to Article 56 of the GDPR. The handover has been made from the supervisory authority of the country where the complainant has lodged the complaint (Norway) in accordance with the Regulation's provisions on cooperation concerning cross-border processing.

The investigation at IMY has been carried out in written form. In the light of cross-border processing, IMY has used the mechanisms for cooperation and consistency contained in Chapter VII of the GDPR. The supervisory authorities concerned have been the data protection authorities in Norway, Denmark, Finland, Germany and Italy.

The complaint (national reference number: 20/00017)

The complaint is essentially the following. The complainant cancelled an order in which Klarna was used as a payment option. The complaint then requested that the company erase his information. The company accepted the request, but stated that it could take up to 90 days before the data has been deleted. The complainant questions whether it is a reasonable time to handle a request.

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¹Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with respect to the processing of personal data and on the free flow of such data and repealing Directive 95/46/EC (General Data Protection Regulation).

What Klarna PUA has stated

Klarna as mainly stated the following.

Klarna is the data controller for the processing concerned in the the complaint.

The request was submitted to Klarna on 17 December 2019. Klarna has handled the request for deletion and fully met the request. Initial measures were taken on 19 December 2019. That entails that the complainant was blocked from receiving further mailings from Klarna, the so-called automatic entry of data was blocked, the complainant was blocked from logging into the Klarna app and adding the complainant to the next round of deletion that is regularly distributed to the relevant system owners who perform the deletion of personal data. On 14 February 2020, the complainant's personal data had been erased from all systems subject to the right to be erased. It should be added that the complainant has used Klarna's services even after the request for deletion was received and carried out. The processing of personal data for this reason has not been covered by the current request to be erased.

The complainant was informed by email on 18 December 2019 that the request had been received and that the process for being deleted has been initiated and the longest time a deletion can take. In this context, Klarna wishes to clarify that Klarna also has a process in which all customers who make a request or otherwise indicate that they want to be notified that the deletion has been carried out will receive a confirmation when the deletion is complete. If no such request is made, no such confirmation will be sent. The background to this process is that such a mailing itself involves additional processing of personal data. Klarna's assessment is that most customers who request to be erased wish to minimise Klarna's personal data processing of their data. In the case in question, the complainant has not made a request to be notified when the deletion has been carried out, so he has not been notified of it. However, as stated above, the complainant has been notified that the process has been initiated and at which time the data will be deleted at the latest.

Klarna holds that it has handled the request without undue delay due to the following.

During the period of 1 November 2019 to 31 December 2019, 753 requests for deletion were received to Klarna, i.e. more than 18 per working day. During the period thereafter, 1 January 2020 to 29 February 2020 received 2281 requests for deletion to Klarna, i.e. more than 55 per working day. For each individual request, it is verified that the right person has submitted the request as well as what other internal controls and initial measures are necessary in relation to each individual request. Exactly what measures need to be taken must be assessed based on the legal and regulatory requirements that apply to Klarna's operations, and based on each individual case since Klarna's customers often have a variety of engagements with Klarna. To ensure that all personal data subject to the right to be erased is also deleted, each request is distributed after these initial actions to the teams within Klarna that process data on data subjects. These teams also perform the deletion themselves in each case. Once the deletion is completed, it is reported to the centrally responsible team.

As stated above, Klarna received the request for deletion from the complainant on 17 December 2019. The next two days all initial actions were taken and the complainant was informed that the process for deletion had begun and that the process could take up to 90 days. Subsequently, the teams concerned have taken over to carry out the actual deletion. As stated above, during the current period, Klarna handled a very large number of requests for deletion. As stated above, all such requests must be handled

carefully in order to ensure correct handling where in each individual case an assessment of which data is covered by the right to be erased. The last report on actual deletion took place in the case in question on 14 February 2020.

Against this background, Klarna believes that the request has been handled in accordance with the requirements of the GDPR. In particular, Klarna has provided the complainant with information about the measures taken without undue delay, namely within two days.

Klarna is continuously working to improve, simplify and streamline this and other processes to ensure data subjects' rights under the GDPR. Not only to deal with these legal, but also to create clarity and simplicity for data subjects. The ongoing improvement takes place in the light of feedback from the company's customers, published guidelines from authorities and own initiatives. The processing time as of March 2021 is therefore shorter than it was at the time of the request.

Justification of the decision

Applicable provisions

According to Article 12(3) of the GDPR, the controller shall, upon request, without undue delay and, in any event, no later than one month after receiving the request, provide the data subject with information on the measures taken pursuant to, *inter alia*, Article 17. The deadline of one month may be extended by an additional two months if the request is particularly complicated or the number of requests received is high. If the period of one month is extended, the controller must notify the data subject of the extension. The notification of the extension of the deadline shall take place within one month of receipt of the request. The controller must also indicate the reasons for the delay.

According to Article 12(4), the controller shall inform the data subject if he does not take action on the data subject's request without delay, and no later than one month after receiving the request, inform the data subject of the reason why measures have not been taken and of the possibility of filing a complaint with a supervisory authority and requesting judicial review.

According to Article 17(1)(a), the data subject shall have the right to have their personal data erased by the controller without undue delay and the controller shall be obliged to erase personal data without undue delay if it is no longer necessary for the purposes for which they were collected or otherwise processed. Article 17(3) contains an exhaustive enumeration of the exceptions to this right.

Assessment of the Authority for Privacy Protection (IMY)

The investigation shows that the complainant's request for deletion was received by Klarna on 17 December 2019 and had been fulfilled on 14 February 2020, i.e. just under two months after it was received. According to Klarna, the request has been fully complied with, which IMY does not find reason to question.

Also shown is the fact that Klarna sent a notification to the complaint two days after the request was received. In it Klarna informed that the erasure had been initiated and could take up to 90 days. IMY finds that Klarna thereby has given such notice as is

required under Article 12(3) when extending the maximum deadline of one month to handle a request when a data subject to exercise his or her rights.

Furthermore, the investigation shows that Klarna did not inform the complainant that the erasure had been carried out *after* it had been carried. Klarna holds that the initial erasure notification *before* the erasure is carried out – which confirms that the request has been granted, that erasure has been initiated and how long it will take at the longest – is sufficient unless the data subject requests otherwise or otherwise indicated that he or she wants to be notified that the erasure has been carried out. This is because Klarna considers that most of Klarna's customers who request erasure want to minimize Klarna's processing of their personal data. IMY considers that such handling is compatible with Article 12(3), provide that the stated time in which the erasure is supposed to have been carried out is reasonable, the data subject is informed of the possibility of obtaining confirmation of the erasure, and that the data subject is notified if the erasure is not carried out within the stated time. IMY finds that it has not arisen reason to question Klarna's handling in this case.

The last question is therefore whether the request has been handled without undue delay. In light of what Klarna has stated about the large number of requests received during the period in question, the checks that must be made specifically due to the regulatory requirements arising from Klarna's banking activities and the number of systems from which the data should be erased from, IMY finds that Klarna has handled the request without undue delay in the sense referred to in Article 12(3) and 17(1).

Against this background, IMY finds that the investigation has not shown that Klarna Bank AB has processed the complainant's personal data in violation of Article 12(3), 12(4) and 17(1) of the General Data Protection Regulation.

The case is closed.

The specially appointed decision-maker [REDACTED] has made this decision after presentation by legal advisor [REDACTED].