



**First results of the “Worldcoin” investigation:
BayLDA strengthens the rights of data subjects**

At the end of the year, the Bavarian State Office for Data Protection Supervision concluded its investigations into the processing of biometric data by a company that has become known worldwide under the name “Worldcoin” by issuing an initial order for corrective measures. Prior to this, the company had voluntarily temporarily suspended its activities in individual EU countries in the light of further proceedings by other European data protection supervisory authorities and has continually worked to improve its data protection concepts.

Michael Will, President of the State Office, emphasizes in particular the strengthening of data subjects' rights: *“With today's decision, we are enforcing European fundamental rights standards in favor of the data subjects in a technologically demanding and legally highly complex case. All users who have provided “Worldcoin” with their iris data will in future have the unrestricted opportunity to enforce their right to erasure.”* The decision concludes an investigation initiated in April 2023, the results of which must be adhered to by the company throughout Europe when processing personal data.

“Worldcoin” provides a new type of digital verification service and a cryptocurrency based on blockchain technology among other things. The aim of the project is to create an identity and financial network (currently called the “World Network”). At its center is the so-called World ID, which is intended to provide proof in the context of digital services that an actor is a unique person and not a machine. This proof is created by processing biometric data, which is supposed to guarantee that a person can only register once with the “Worldcoin” project and only receive one “World ID”.

The BayLDA has investigated the data processing of “Worldcoin” since the preparations for its market launch in spring 2023, as the offer of a new type of verification procedure based on individual biometric data derived from iris images entails a number of fundamental data protection risks for at



least a large number of data subjects. In addition to data security requirements, the focus of the ex officio proceedings was primarily on guaranteeing the rights of data subjects, in particular comprehensive erasure following withdrawal of consent and the associated review of the consent process.

As a result, despite the improvements already introduced, adjustments are still required to bring the company's data processing in line with the applicable provisions. Among other things, the company will be obliged to provide a deletion procedure that complies with the provisions of the GDPR within one month of the decision taking effect. In addition, "Worldcoin" will be obliged to provide explicit consent for certain processing steps in the future. Moreover, the deletion of certain data records previously collected without a sufficient legal basis was ordered ex officio. The company has already received the decision and has informed us that it is going to appeal it.

The decision was coordinated with all European data protection supervisory authorities concerned within GDPRs' framework of the European cooperation procedure, as the activity of "Worldcoin" is not limited to Germany, but takes place at various other locations within the EEA and operation across Europe and worldwide is generally planned. Due to national administrative law, the assessment of whether an administrative offense proceeding will be initiated is reserved for a separate proceeding. The same applies to the examination of numerous complaints from European users concerning specific individual issues, such as the protection of minors, which were not the subject of the current decision.