

# Big Telecoms' tracking tech 'should be stopped,' privacy groups warn

With Trustpid, telcos want a piece of the pie of targeted online advertising. Critics say they're violating EU privacy law.



The tech industry's reliance on cookies to target ads is under pressure from regulators and it's increasingly distrusted by internet users | Halldor Kolbeins/AFP via Getty Images

by **Tristan Fiedler** • 3 MINUTES AGO • 4 MINUTES READ

Privacy advocates are calling for a ban on a new project by Europe's largest telecoms giants to develop an online tracking system and cash in on advertising.

The tech industry's reliance on cookies to target ads is under pressure from regulators, and it's increasingly distrusted by internet users. It's opened a battle to find new solutions to corner the market in online advertising — and telecoms companies are now throwing their hat in the ring.

European telecoms firms, led by Vodafone, are hoping to hit paydirt with a system they're calling Trustpid. The project is set up as a subsidiary of Germany's Vodafone, with Deutsche Telekom saying it "is supporting Vodafone in this test."

Trustpid, now in the trial stage, bypasses the usual browser-based cookie practices to insert a so-called super cookie directly into a mobile webpage's code.

Trustpid's system generates — with a user's consent — a pseudonymized, unique token, tied to a user's IP address and mobile number, and then a second marketing token that is passed on to advertisers. The idea is that the advertisers' token can't be

backtraced to the unique user's token, preserving privacy and allowing advertisers to still target users without coming under browser-based control.

The participating telecoms stand to net a financial windfall if enough users opt into the practice. (Vodafone declined to specify how many users were participating in Trustpid trials) More importantly, it would also help break the grip that companies like Google and Apple have on online advertising and, Trustpid's website claimed, mark a step toward "keeping the internet free."

"We believe high-quality online content is only free because of advertisement revenues," a spokesperson for Vodafone said. Users' explicit consent would also keep Trustpid from falling into the same trap as the United States telecoms firm Verizon's own failed super-cookie project, which [resulted in a \\$1.35 million \(€1.29 million\) fine](#) from the U.S. Federal Communications Commission in 2016, the spokesperson said.

But data privacy advocates are not convinced. They're voicing serious concerns about the project's promise to protect privacy.

"This form of internet tracking would be much more pervasive than previous methods," said Thomas Lohninger, executive director of digital rights NGO [epicenter.works](#).

Lohninger said the average internet user will not be aware how to give consent or refuse the service, and casted doubts on the project's claims that users can't be identified.

"This kind of tracking is in no way compatible with GDPR," Lohninger said, referring to the EU's landmark privacy law, the [General Data Protection Regulation](#). "From our point of view, the whole project should be banned as soon as possible," he said.

Wolfie Christl, a digital rights activist from Cracked Labs in Vienna, agreed: "The project should be stopped immediately. I hope that European data protection authorities quickly team up and stop it," he said.

## No approval

The Trustpid trials involve German residents' data. Some [reports](#) suggest Telefónica and Orange are also planning to get involved in Spain, but a Telefónica spokesperson said it has "no active pilot" running at the moment. Vodafone said that, so far, there have been no trials outside Germany.

It's pushed the German national data protection authority to already jump in with concerns.

A spokesperson for the Federal Commissioner for Data Protection and Freedom of Information (BfDI) said "the [Trustpid] project was presented to us in 2021. At the time, we pointed out various data protection problems, in particular, the requirements for effective consent."

"However, we did not make a final project assessment, nor did we give any kind of approval. It was only agreed that there would be further consultations with the relevant telecommunications service providers in the future," the authority's spokesperson said.

There is "considerable skepticism as to whether the project complies with data protection requirements," they added.

Vodafone said it had "been consulting with all the authorities involved, including BfDI," and that it had "responded to their very useful feedback," including by "making changes to the [consent] interface, to ensure that it's as user-friendly as possible."

But activists questioned whether the trials should be happening at all.

Lohninger, of the epicenter.works NGO, said "there is no legal basis for any *ex-ante* review or approval that companies must obtain in advance in order to implement such a tracking system. In data protection law, it works the other way around: Authorities can only become active *ex-post* when justified concerns about an already existing system arise."

He added: "What the telecommunication companies are doing here is a test run ... They want to see if they can get away with it."