

## Written evidence submitted by Mark Taber

Dear Treasury Committee members, I watched with interest your excellent questioning of Amanda Storey (Google) and Allison Lucas (Facebook) in your Economic Crime evidence session on 22 September 2021. As you may be aware I have been identifying, investigating and reporting scam online ads and campaigning for legislation to make online platforms liable for the ads they charge to display for nearly 2 years. During this time I have had high level engagement and meetings with both Google and the FCA. Based on my experience I feel that answers given to you by Google and Facebook gave a false and misleading impression of their engagement and co-operation with the FCA and, in the case of Google, how voluntary measures recently introduced came about. I have summarised evidence on this issue below and have attached supporting documents.

### 1. ENGAGEMENT WITH THE FCA

#### i. Google:

At Q269 Amanda Storey (Google) told the Chair:

We work very closely with the FCA. We have done for the last several years.

At Q394 Amanda Storey (Google) told Rushanara Ali:

We have collaborated very closely with the FCA over the last two years.

As evidenced by the attached Freedom of Information response (letter of 25 September 2021 and Annex A of the same date) from the FCA, which covers the period 1 January 2019 to 26 February 2020:

- the first call between the FCA and Google relating to the advertising and promotion of investments was on 2 December 2019 ('Meeting 1' on page 1 of Annex A to the FCA's FOIA response letter)
- the first meeting involving director level representatives from both sides was on 18 February 2020. ('Meeting 6' on pages 8-10 of Annex A of the FCA's FOIA response letter)

Furthermore, repeated public statements made by FCA board members show the difficulties and frustrations they have experienced in obtaining meaningful engagement and action. Therefore, it was misleading for Sarah Storey to say that Google has '*worked closely with the FCA for several years*' and '*collaborated closely with the FCA over the last 2 years.*'

#### ii. Facebook:

At Q384 Allison Lucas (Facebook) told Allison Lucas:

We have the FCA relationship and the regular engagement.

At Q300 Allison Lucas (Facebook) told Julian Knight:

We have committed to doing all of this. We have committed to our users through our policies, our enforcement practices, our collaboration with the FCA and the ASA, and these tech groups. We take responsibility, and we take a variety of approaches to address all of these concerns. Whether it is through proactive enforcement or whether it is reactive, we work very closely with the FCA and the ASA.

The FCA FOIA response letter of 25 September (page 2, para 2) states:

*“Unfortunately there was an error in our response of 1 July. We did not have any meetings with Facebook within the scope of your request ...”*

Therefore there were no meetings or calls between the FCA and Facebook relating to the advertising and promotion of investments between 1 January 2019 and 26 February 2020.

## **2. BACKGROUND TO NEW GOOGLE POLICY**

On 6 September 2021 Google introduced a policy restricting the advertising of financial products and services (with some exceptions) in the UK to FCA authorised firms. Amanda Storey of Google gave the impression Google has not delayed in doing this and has acted promptly to protect consumers in the following answers:

At Q285 Amanda Storey (Google) told the Chair:

Again, we have not waited for regulation. We have done everything that we can do to make sure scams are not appearing to users.

At Q377 Amanda Storey (Google) told Dame Angela Eagle:

In relation to your questions on regulation, we are not waiting for regulation. We want to protect our users; we want to keep them safe on our platforms. That is why we are putting in place the new policies and the new enforcement mechanisms that we have, as well as doing things like integrating and automating the FCA’s alert list.

At Q335 Amanda Storey (Google) told Harriett Baldwin:

That is correct. Anyone trying to advertise to a UK user with a financial services ad has to be on the FCA authorised list.

The reality is that both the FCA and myself made it clear to Google in February 2020 that the only effective solution to prevent scam ads was to restrict them to FCA authorised firms. This is demonstrated by:

i. The minutes of 'Meeting 6' (page 8 of Annex A to FCA FOIA response letter) between the FCA and Google on 18 February 2020 where Jonathan Davidson (then FCA Director of Supervision) told Google:

JD outlined what FCA are looking for from Google:

*2. FCA also wants the Financial Services Register to be used to identify authorised individuals and firms, so that only authorised firms can place advertisements for their products and services.*

ii. I met with and presented to Google's Jim Gray (Director of Trust and Safety), David Graff (Senior Director of Trust and Safety) and Didi Denham (Public Policy Team) on 17 February 2020. Under 'Investment Fraud & Google Ads: Action' on slide 6 of my presentation I stated the same message as follows:

*Protecting consumers from investment fraud and related harmful practices only possible by restricting advertisements targeting investments and savings to accounts which has been certified by Google as being FCA authorised.*

I have attached a copy of my presentation to Google.

This was a simple gateway control which Google could and should have introduced long ago. However, even when it was made clear to Google by the FCA and myself it took 18 months of constant pressure and campaigning before Google agreed to implement it. During this time £ billions of avoidable harm will have been suffered as a direct result of the delay.

I trust this information is useful and would be delighted to provide any further information or assistance on these issues.

Kind regards

Mark Taber

Cc: Stephen Timms MP - Chair of Work & Pensions Committee

*November 2021*