



**CALLING LINE IDENTITY (CLI) – CALL FOR INFORMATION ON PROPOSED TELECOMMUNICATIONS LICENCE REVIEW AND
POTENTIAL FOR LIMITING TELEPHONE-BASED FRAUD – T-036**

SURE (JERSEY) LIMITED –RESPONSE – 24TH SEPTEMBER 2021

Introduction

1. Sure (Jersey) Limited welcomes the Jersey Regulatory and Competition Authority's ("the Authority's") decision to publish this Call for Information and support its desire to investigate the impact of telephone-based fraud on customers in Jersey.
2. The first part of this response provides the Authority with an overview of what we currently do to tackle telephone-based fraud and calling line identity (CLI) misuse (often known as spoofing), before providing responses to the Authority's questions (see annex). [REDACTED].
3. We strongly support the view that customers should be protected against telephone-based fraud and the inconvenience caused by CLI misuse. [REDACTED]. We already take steps to investigate and mitigate the impact of telephone-based fraud. We are members of the Jersey Fraud Prevention Forum; a group of organisations and agencies in Jersey that collaborate to develop a coordinated and strategic approach to protecting Jersey citizens from investment fraud and scams. We actively engage with other telecommunications operators in Jersey, the States of Jersey police and local charities to share information on fraud threats and mitigation measures. We have a similar arrangement with some UK telecommunications operators.
4. We also have an established process with Jersey law enforcement agencies for protecting customers and blocking nuisance calls. When contacted by Jersey Police about instances of nuisance calling or fraud that occur on the Sure network, we will investigate, and where appropriate, suspend the relevant customer account.
5. Additionally, we are in the process of [REDACTED].

6. However, whilst we agree with the sentiment of trying to reduce telephone-based fraud, it is important to acknowledge that there are technical challenges involved in blocking traffic, and the process of blocking is often [§<]. For example, [§<]. These technical and operational limitations will need to be considered when setting any future guidance or licence obligations.
7. Whilst we note the Authority's view that Voice Over Internet Protocol (VoIP) technology can make it easier for CLI misuse to occur, the move to this newer technology also provides network operators with new tools to identify and prevent calls from users spoofing numbers that they do not have authority to use. For example, new VoIP technical standards can enable CLI authentication – a mechanism by which operators can automatically verify that the presentation CLI being transmitted matches the network CLI (known as STIR/SHAKEN). STIR/SHAKEN is currently being used in the USA to identify illegal spoofing and prevent telephone-based fraud. We expect many of the technical challenges experienced with blocking today could be resolved by a wider move to VoIP technologies in the Channel Islands.
8. Finally, in our experience, there is merit in developing a more coordinated and comprehensive response to telephone-based fraud. This should go beyond simply imposing a licence condition that requires operators to block invalid or non-dialable CLI. For example, we have observed that potential fraudsters will regularly change the number format (i.e., national, international, short code or local) in response to having their traffic blocked. This enables fraudsters to avoid detection or blocking and continue to cause consumer harm. This problem is exacerbated where network operators and regulators are not sharing intelligence and prevention strategies, as this will enable fraudsters to switch between networks in order to avoid detection. We believe that this risk could be mitigated by the Authority and network operators taking a more strategic and collaborative approach to preventing telephone-based fraud in Jersey, hence we welcome the JCRA's current focus on this topic.
9. We are keen to engage further with the Authority on this topic and believe there is merit in further industry discussion before the Authority issues its Draft Decision. We would welcome an industry seminar or forum that provided operators with an opportunity to ask questions and provide feedback on the Authority's proposals.

Annex

Q1. Do you have any comments on the Authority’s plan to review, clarify and establish expectations for the use of CLI facilities in Jersey?
<p>We support the Authority’s decision to review the use of CLI facilities in Jersey. We agree that CLI facilities play an important role in allowing customers to make informed decisions when answering the phone, allowing businesses to display more useful call-back information and supporting regulators to take enforcement action against nuisance calls. However, [§].</p>
Q2. Do you agree the Authority should consider amending operator licences to include conditions covering the provision of CLI facilities?
<p>Yes, we agree that the Authority should look at the merits of introducing new conditions into operator licences. However, the Authority will need to share details of what the new licence condition will require and how operators must comply, before we can fully support the proposal. Any new licence condition must be proportionate, taking into account the size of Channel Islands-based operators compared to UK operators, and the fact that [§].</p> <p>We note that UK operators already have a General Condition obligation to, wherever technically feasible and economically viable, provide customers with CLI facilities and take reasonable steps to identify and block calls with invalid or non-dialable CLI. We would welcome a discussion with the Authority about whether a similar obligation would be appropriate in Jersey.</p>
Q3. Do you have any comments on the importance or otherwise of protecting islanders from telephone-based fraud as far as practically possible?
<p>We agree that protecting islanders against telephone-based fraud and CLI misuse is important. As set out above, we already take steps to protect customers from telephone-based fraud and will continue to work with the Jersey Fraud Prevention Forum and Jersey Police to tackle fraud threats. We would welcome further cooperation with the JCRA, Channel Islands operators and the UK telecommunications industry, to share information and work collaboratively to prevent fraud.</p> <p>We agree that operators should take steps to prevent telephone-based fraud wherever technically and economically feasible.</p>

Q4. Do you agree the Authority should pursue introducing a centralised CLI-fraud mitigation system?

We agree with the Authority's sentiment of trying to reduce telephone-based fraud and in principle support the prospect of introducing new methods/mechanisms for identifying and preventing such fraud or CLI misuse. However, except for a brief reference to the UK 'Do Not Originate' (DNO) list in its call for information, the Authority has not provided an explanation as to what it expects this "system" to achieve. For example, does the Authority expect this new system to enable the identification and automatic blocking of traffic that is suspected to be fraudulent, or will this mechanism be based on information sharing and cooperation between UK and Channel Islands operators?

[§].

It is important to note that the DNO list forms just one part of Ofcom's and the ICO's initiatives to help telecommunications companies identify invalid telephone numbers and block calls that have these numbers. Ofcom and the ICO chair and coordinate strategic working groups with UK telecommunications operators and industry bodies. In these working groups, operators and regulators share strategic fraud prevention information and intelligence, industry trends and submit data to three lists:

1. The long-term protected numbers list (numbers that have not been allocated);
2. The blocking list (numbers that have been identified as the source of a large amount of nuisance calls or fraud); and
3. The DNO list (allocated numbers submitted by organisations that should not be used for outbound calls).

In our view, effective cooperation should go beyond simply receiving and contributing to Ofcom's DNO list. Where possible, the Authority and Channel Islands operators should also be involved in strategic discussions, intelligence sharing and engage with the long-term protected number list and the blocking list. This will enable better information sharing and strategic consistency between the Channel Islands and UK when tackling telephone-based fraud (for example, by preventing a Maginot line effect).

We urge the Authority to provide clarity on what it means by "a centralised CLI-fraud mitigation system". We propose that the Authority engage with industry and other interested stakeholders to discuss its expectations for this centralised CLI-fraud mitigation system before drafting and

publishing its draft decision. That way, operators can provide information on the effectiveness, technical complexity or cost impact associated with the Authority's proposals.

Finally, we urge the Authority to be mindful of upcoming Telecommunications Security Requirements (TSR) and High-Risk Vendor (HRV) rules when proposing a new centralised CLI-fraud mitigation system. As the Authority will be aware, the operational and cost impact of these new TSR and HRV requirements is significant. We expect governments and regulators in the Channel Islands to follow the UK's lead in introducing new obligations, albeit with a slightly more accommodating timeline, and in some cases, locally relevant amendments, not least to ensure any requirements are proportionate to the size of these jurisdictions. To meet these new requirements, we, [§].