



Case T-036

Calling Line Identity (CLI) facilities:
proposed telecommunications
licence review and potential for
limiting telephone-based fraud

Non-statutory Final Decision

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1 Overview and summary

The duties of the Jersey Competition Regulatory Authority (the **Authority**) include protecting the interests of islanders using telecoms services. In July 2021, the Authority started a review of Calling Line Identity (**CLI**) facilities, which can provide important protection against telephone-based fraud.

Through the review, the Authority plans to understand if present regulation associated with CLI sufficiently protects islanders, and if not, to identify and introduce any changes necessary to improve the situation. It will also assess whether centralised systems being used elsewhere to limit CLI-based fraud could be beneficial in Jersey.

Having progressed the review, this document is a Non-statutory Final Decision (**Final Decision**) containing the Authority's analysis of responses received to its Non-statutory Draft Decision (**Draft Decision**) published in November 2021, corresponding conclusions drawn and final decisions made, which are in summary:

- To modify the licences of telecoms operators and issue supporting guidance; and
- To instigate the collaborative evaluation of a centralised CLI fraud mitigation system

As a result of this Final Decision, the Authority will issue a Statutory Initial Notice (see document JCRA 22/23) modifying Class II and Class III telecoms licences to include a new licence condition relating to CLI facilities.

2 Introduction and background

2.1 This section introduces and provides context for this consultation. Its contents include:

- About CLI facilities
- The role and duties of the Authority
- About this consultation
- Alignment with Authority planning and priorities
- Legal and regulatory framework

About CLI facilities

2.2 CLI facilities allow people receiving telephone calls to see the telephone number of the person calling before deciding to answer or not¹. This provides important protection against telephone-based fraud through potentially minimising unwanted nuisance calls, which can cause significant annoyance and, in some cases, distress for consumers.

2.3 CLI consists of two numbering elements:

Network number	The number identifying the underlying source of the call - i.e. the number directly associated with the originating telephone line or service.
Presentation number	An alternative number inserted by a telecoms operator or system that may be displayed to the call recipient.

2.4 Both numbers are visible to network operators, which should pass them between each other through appropriate interconnect and transit arrangements. In many cases, the network and presentation numbers are the same.

2.5 There are legitimate reasons to insert a different presentation number, however, by an organisation wanting to transmit the direct-dial numbers of internal extensions, for example, or by a company assigned to make legitimate calls on behalf of other organisations.

2.6 There are equally incidents of non-legitimate use, when false presentation numbers are used to persuade recipients they are being called by an apparently valid organisation. The increasing use and capability of Voice Over Internet Protocol (**VoIP**) and related technology potentially helps enable this type of activity.

2.7 Appropriate regulation can contribute towards lowering the non-legitimate use of CLI, by setting expectations through establishing conditions in licences issued to telecoms operators, for example, or working with interested parties to develop collaborative approaches for minimising CLI-based fraud.

¹ Callers can decide to withhold their CLI, in which case the person receiving can decide whether or not to accept a call from an unidentified caller.

The role and duties of the Authority

- 2.8 The Authority regulates the telecoms sector in Jersey to ensure islanders have access to fair, competitive and secure telecoms services. This means monitoring development of telecoms systems and technology and assessing whether changes or advancements may benefit or harm islanders.
- 2.9 In view of certain developments, the Authority has a duty to consider intervening in the sector, providing any intervention aligns with commitments made in its annual business plan² and using published prioritisation principles³ to help decide appropriate timelines.
- 2.10 One potential intervention the Authority may consider is amending the licences issued to telecoms operators from time-to-time to include appropriate enabling or restrictive conditions, or issuing relevant directions or guidance. When doing so, the Authority uses a structured consultation process to allow for stakeholder views and comments and provide a measured framework for decision making.

About this consultation

- 2.11 In view of developments, in July 2021, the Authority started a review of CLI facilities, using its standard consultation process. The initiative supports the Authority's Strategic Goal 3, which is to safeguard consumers, and is prioritised through its potential impact on consumer welfare, its enablement of strategically significant principles and the assessed low level of risk and acceptable use of resources.
- 2.12 The first consultation step was a Call for Information, open from 11 August 2021 to 24 September 2021, following which the Authority published a Draft Decision on 23 November 2021 and invited comments before 24 January 2022.
- 2.13 Having received comments on its Draft Decision, this document is a Final Decision confirming the Authority's intentions on this matter, alongside which the Authority may issue a Statutory Initial Notice to confirm any Final Decision or elements of it, followed by a Statutory Final Notice to confirm and enable. The steps and planned timescales, which may be subject to change, for completing this consultation are:

Issue Call for Information	August 2021
Issue Non-statutory Draft Decision	November 2021
Issue Statutory Final Decision	April 2022
Issue Statutory Initial Notice	April 2022

² <https://www.jcra.je/strategic-plans/business-plan/2021-business-plan/>

³ <https://www.jcra.je/strategic-plans/prioritisation-principles/jcra-prioritisation-principles/>

Issue Statutory Final Notice	September 2022
Issue CLI Guidance	September 2022

Legal and regulatory framework

- 2.14 The Telecommunications (Jersey) Law 2002 (the **Law**) requires the Authority to carry out its functions in such a manner as it considers is best calculated to ensure that (so far as is reasonably practicable) telecoms services are provided, both within Jersey and between Jersey and the rest of the world, as satisfy all current and prospective demands for them.
- 2.15 The Law prohibits anyone using a telecoms system for the purpose of causing annoyance, inconvenience or needless anxiety to another, and sending a message that the person knows to be false.
- 2.16 The Authority has granted Class II and Class III telecoms licences with specific conditions applicable to licensees providing telecoms services in Jersey. Article 18 of the Law allows the JCRA to modify any condition contained in a licence, which includes inserting a new condition, as well as amending or deleting an existing condition.

3 Consideration of responses to the Draft Decision

3.1 This section summarises responses received to the Draft Decision issued in November 2021, the Authority's analysis of them and corresponding conclusions. Its contents include:

- Responses received
- Summary of responses and the Authority's analysis and conclusions
- Other information believed relevant to this consultation

Responses received

3.2 The Authority is grateful for responses to its Draft Decision consultation, received from:

- Home Net Limited (**Homenet**)
- Jersey Airtel Limited (**Airtel**)
- JT (Jersey) Limited (**JT**)
- Sure (Jersey) Limited (**Sure**)

3.3 These responses are summarised below with full non-confidential versions published on the Authority's website alongside this document.

Summary of responses and the Authority's analysis and conclusions

Draft Decision 1: To proceed with the review of Calling Line Identity (CLI) facilities.

Summary of responses

3.4 There was broad support expressed for continuing with the review.

Authority analysis

3.5 Noting that all respondents agreed with Draft Decision 1, the Authority will adopt as a Final Decision and continue with the review of CLI facilities.

Authority conclusion(s)

3.6 The Authority adopts Draft Decision 1 as a Final Decision.

Draft Decision 2: To modify telecoms licences to clarify expectations for the provision of CLI facilities, with the proposed conditions set out in Annex A of this Non-statutory Draft Decision.

Summary of responses

3.7 While all respondents agreed in principle with Draft Decision 2, Airtel, Homenet and Sure requested further clarification on specific meaning of certain terms used in the proposed new licence condition or suggested additions to aid clarification.

- 3.8 Sure specifically requested the Authority issues supplemental guidance, stating that the proposed new licence condition is open to interpretation, which may result in inconsistent application and potentially undermine intentions to protect customers.
- 3.9 Sure further explained potential challenges for a non-originating operator identifying ‘dialable’ CLI data transiting or terminating on its networks, and being able to monitor CLI data when using wholesale line rental arrangements to provide fixed line services.
- 3.10 Sure also requested clarity on expected timescales for operators to implement requirements of the new licence conditions, proposing an ideal minimum period of 12 months to complete the work required.

Authority analysis

- 3.11 Noting all respondents agreed in principle with Draft Decision 2, the Authority will conditionally adopt as a Final Decision and proceed to modify telecoms licences of all Class II and Class III licensees to include the proposed new licence condition (shown in Annex A).
- 3.12 On the request for further clarification on certain terms contained in the proposed new licence condition, the Authority agrees this would be beneficial and therefore will publish supplemental guidance on CLI facilities following issuing the Final Notice and Statutory Initial Notice, to be available before the proposed new licence condition comes into force.
- 3.13 The Authority notes Sure’s concerns about the potential challenges involved in identifying ‘dialable’ CLI data but reminds that the proposed new licence condition has conditional terms including ‘where technically feasible’ or ‘so far as technically feasible’, which it expects any licensed operator to take into account when assessing how far its obligations extend.
- 3.14 The Authority further notes Sure’s concerns over implementation timescales, which it will take into account when issuing a Statutory Final Notice bringing the proposed new licence condition into force. For the avoidance of doubt, the Authority recognises that it may not be ‘technically feasible or economically viable’ for every licenced operator to fully meet the licence condition obligations immediately, but would expect each to make every reasonable effort to comply in due course, justifying any implementation decisions if needed.

Authority conclusion(s)

- 3.15 The Authority adopts Draft Decision 2 as a Final Decision and will issue a Statutory Initial Notice followed by a Statutory Final Notice to modify telecoms licences of all Class II and Class III licensees to include the proposed new licence condition (shown in Annex A).
- 3.16 The Authority will also publish supplemental guidance on the use of CLI facilities alongside implementation of the proposed new licence condition (see section 3.31 below).

Draft Decision 3: To work within the Authority’s designated role, powers and resource constraints in support of efforts to limit local telecoms-based fraud.

Summary of responses

3.17 There was broad support for the Authority's intentions.

Authority analysis

3.18 Noting that all respondents supported Draft Decision 3, the Authority will adopt as a Final Decision and proceed within its designated role, powers and resource constraints in support of efforts to limit local telecoms-based fraud.

Authority conclusion(s)

3.19 The Authority adopts Draft Decision 3 as a Final Decision.

Draft Decision 4: To further evaluate the introduction of a centralised CLI-fraud mitigation system through a structured engagement with licensed operators, specifically considering:

- (a) The benefits to islanders of introducing the Ofcom-driven Do Not Originate (DNO) blacklist system compared with the resources required from licensed operators to implement and manage; and
- (b) The merits or otherwise of other centralised operator approaches to mitigating CLI-fraud for the benefit of islanders.

Summary of responses received

3.20 Airtel, Homenet and JT agreed with the decision in principle, with Sure offering no specific comment.

3.21 JT elaborated on the potential for a more collaborative approach between local operators, suggesting an industry forum to discuss issues and share information and the potential to follow other jurisdictions by introducing a 'CI perimeter' to protect islanders against external CLI-based fraud.

Authority analysis

3.22 The Authority welcomes support shown for a collaborative approach towards minimising CLI-based fraud and potential creation of a centralised CLI-fraud mitigation system and will adopt Draft Decision 4 as a Final Decision.

3.23 The Authority's intention is to start progressing a corresponding initiative in the second half of 2022, with the following broad aims:

- (a) Establish and agree terms of reference for a temporary cross-operator / regulatory group focused on options for centralised CLI-fraud mitigation; and
- (b) Understand and evaluate the costs and benefits of adopting the Ofcom-driven Do Not Originate (DNO) blacklist; and

- (c) Identify and assess alternative or complimentary centralised CLI-fraud mitigation systems and solutions.

Authority conclusion(s)

3.24 The Authority adopts Draft Decision 4 as a Final Decision.

Draft Decision 5: Not to publish specific CLI guidance within this review, but consider doing so in the future should the planned licence condition not sufficiently clarify expectations.

Summary of responses received

- 3.25 Homenet, JT and Sure disagreed with Draft Decision 5, requesting the Authority reconsider its proposed decision to not publish CLI guidance as part of this review.
- 3.26 Homenet specifically believes the Authority has a responsibility to issue guidance emphasising individual phone numbers are owned by the end customer.
- 3.27 JT specifically requests more clarity around acceptable use of CLI, citing several potentially unacceptable examples and referring to the guidance provided by Ofcom⁴ on the use of presentation CLI, noting that JT follows aspects of this approach in assessing certain scenarios.
- 3.28 As noted in section 3.8 above, Sure specifically requests supplemental guidance to clarify terms contained in the proposed new licence condition, stating that without there may be inconsistent application which potentially undermines intentions to protect customers.

Authority analysis

- 3.29 In view of the disagreements of Homenet, JT and Sure with Draft Decision 5, the Authority intends withdrawing it and, as noted section 3.12 above, will issue supplemental guidance alongside the proposed new licence condition to provide operators with further clarity on requirements.
- 3.30 The proposed guidance will be subject to a non-statutory consultation process and issued following the Final Decision and Statutory Initial Notice, to be available before the proposed new licence condition comes into force.

Authority conclusion(s)

- 3.31 To not adopt Draft Decision 5, replacing with a Final Decision to issue supplemental guidance on CLI facilities to be available before the proposed new licence condition comes into force.

Other relevant information

⁴ https://www.ofcom.org.uk/__data/assets/pdf_file/0021/116670/cli-guidance.pdf

3.32 The Authority notes Ofcom’s recently launched consultation on improving the accuracy of CLI data, published in February 2022⁵, and looks forward to its conclusions which may influence future regulatory approach and policy in this area. Rather than await or anticipate any outcome of Ofcom’s process, which may not be available before end 2022, the Authority will continue with its present CLI review and consultation process to ensure islanders receive important protection against telephone-based fraud as soon as possible.

⁵ <https://www.ofcom.org.uk/consultations-and-statements/category-2/improving-cli-data-accuracy>

4 Final Decision

- 4.1 Mindful of its duties, policies and practices, and taking into account the responses received to its Draft Decision, the Authority's Final Decision on Calling Line Identity (CLI) facilities: proposed telecommunications licence review and potential for limiting telephone-based fraud is:

FINAL DECISION

Following a Draft Decision consultation, the Authority intends:

1. To proceed with the review of Calling Line Identity (CLI) facilities.
2. To modify telecoms licences to clarify expectations for the provision of CLI facilities, with the proposed new condition set out in Annex A of this Final Decision.
3. To work within the Authority's designated role, powers and resource constraints in support of efforts to limit local telecoms-based fraud.
4. To further evaluate the introduction of a centralised CLI-fraud mitigation system through a structured engagement with licensed operators, specifically considering:
 - (a) The benefits to islanders of introducing the Ofcom-driven Do Not Originate (DNO) blacklist system compared with the resources required from licensed operators to implement and manage; and
 - (b) The merits or otherwise of other centralised operator approaches to mitigating CLI-fraud for the benefit of islanders.
5. To issue supplemental guidance on CLI facilities, to be available before the intended new licence condition comes into force.

- 4.2 Following on from this Final Decision the Authority will issue a Statutory Initial Notice (see document JCRA 22/23) confirming an intention to modify telecoms Class II and Class III licences to include the intended licence condition set out in Annex A of this document, followed by a Statutory Final Notice subject to consultation.

Annex A: Intended new licence condition

Class II and Class III telecoms licences will have the following additions:

1. DEFINITIONS AND INTERPRETATION

‘Calling Line Identification’ means data that enables identification of the number from which a call could be made or to which a return call could be made;

‘Calling Line Identification Facilities’ means facilities which enable the telephone number of a calling party to be presented to the called party prior to a call being established;

‘CLI Data’ means the contents of all signalling messages which can be used between Licensed Operators and/or between Licensed Operators and Subscribers to signal the origin of the call and/or the identity of the calling party, including any associated privacy markings;

‘Emergency Organisations’ means:

- (a) the police, the ambulance and fire services and the marine search and rescue services’; and
- (b) any other organisation, as directed from time to time by JCRA as providing a vital service relating to the safety of life in emergencies;

PART III: GENERAL CONDITIONS RELATING TO THE PROVISION OF TELECOMMUNICATIONS

X Calling line identification facilities

X.1 The Licensee must provide Calling Line Identification Facilities, and enable them by default, unless they can demonstrate that it is not technically feasible or economically viable to do so.

X.2 The Licensee must inform Subscribers if Calling Line Identification Facilities are not available on the service they are providing to those Subscribers.

X.3 When providing Calling Line Identification Facilities, the Licensee must:

- (a) ensure, so far as technically feasible, that any CLI Data provided with and/or associated with a call includes a valid, diallable number which uniquely identifies the caller; and
- (b) respect the privacy choices of Users.

X.4 The Licensee must not charge Subscribers any additional or separate fee for access to or use of standard Calling Line Identification Facilities.

X.5 Where technically feasible, the Licensee must:

- a) take all reasonable steps to identify calls, other than calls to Emergency Organisations, in relation to which invalid or non-diallable CLI Data is provided; and
- b) prevent those calls from being connected to the called party, where such calls are identified.

X.6 This Condition applies subject to the requirements of relevant data protection legislation.