



15 December 2021

To: Australian Communications and Media Authority (ACMA)

Thank you for the opportunity to express the Internet Association of Australia (IAA) perspective on the draft *Telecommunications Service Provider (Customer Identity Verification) Determination 2021*.

Many of IAA's members are small to medium sized internet service providers (ISPs), carriers and carriage service providers (CSPs). Overall, IAA acknowledges the importance of strong customer identification processes in reducing scams and fraud generally. We note the important role of the *Telco (Mobile Pre-Porting Additional Identity Verification) Identity Standard 2020* in reducing fraudulent number ports.

The smaller carriers and CSPs which IAA represents do want to ensure their customers are safe from fraudulent activities. However, IAA is of the view that carriers and CSPs should have some flexibility in how they implement such measures. In its current form, the requirements under the draft Determination may be difficult for smaller telecommunications players to comply with.

One example is the additional requirements under s11 relating to customers who are believed, on reasonable grounds, to be in vulnerable circumstances. Under s11(3)(a), CSPs are required to keep a record of the details of interactions with customers in vulnerable circumstances and as per 11(3)(b), monitor a customer's account for indications of fraudulent activity for 30 days after a high-risk customer interaction is instigated. IAA believes such resource intensive requirements will be difficult for smaller CSPs to comply with. Moreover, CSPs have to keep 'sufficient' records determining their compliance for a minimum of one year. Considering the definition of 'high-risk' interactions incorporates multiple aspects ranging from modifications to customer account information to a SIM swap request, this may be difficult for CSPs to keep track of, and in turn may represent a 'honey pot' of target information for scammers.

The Determination also stipulates that that an employee or agent of the CSP who has completed fraud mitigation training must complete the identity verification process under s10(2) and s11(2). To support smaller CSPs with compliance, IAA recommends ACMA provide additional resources or support related to fraud prevention training. IAA would be happy to coordinate this with ACMA.

IAA extends its support for the Communications Alliance Code *C666: Existing Customer Authentication*. We believe it addresses the issues identified by ACMA, while simultaneously providing industry with the flexibility in how they implement these measures.

If the Determination is to be introduced, IAA would also encourage a transitional introduction, instead of applying to all CSPs from 5 April 2022, as this would allow industry to implement the right measures in place to ensure compliance.

Once again, I would like to thank you for providing us with the opportunity to contribute to the draft *Telco Service Provider (Customer Identity Verification) Determination 2021*.

About the Internet Association of Australia

The Internet Association of Australia (IAA) is a member-based association representing the Internet community. Founded in 1995, as the Western Australian Internet Association (WAIA), the Association changed its name in early 2016 to better reflect our national membership and growth.

Our members comprise industry professionals, corporations and affiliate organisations. IAA provides a range of services and resources for members and supports the development of the Internet industry both within Australia and internationally. Providing technical services as well as social and professional development events, IAA aims to provide services and resources that our members need.

IX-Australia is a service provided by the Internet Association of Australia to Corporate and Affiliate members. It is the longest running and lowest cost Internet Exchange in Australia. Spanning six states and territories, IAA operates over 30 points of presence and operates the New Zealand Internet Exchange on behalf of NZIX Inc in New Zealand.

IAA is also a licenced telecommunications carrier, and operates on a not-for-profit basis.

Yours faithfully,

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Internet Association of Australia