THE HON PAUL FLETCHER MP

Minister for Communications, Cyber Safety and the Arts

MEDIA RELEASE

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Action Plan to Combat Phone Scams

Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher MP, has signed off on the action plan by telecommunications regulator the Australian Communications and Media Authority (ACMA), working with the telecommunications industry to crack down on scams perpetrated over phone networks. The *Combatting Scams: Action plan* was released by the ACMA today.

Minister Fletcher has announced there will be three trials conducted across the telecommunications industry to combat common phone scams and techniques. The first trial has already started and involves telcos identifying and blocking calls which appear to come from a well-known Australian organisation but are actually made by scammers. In recent months there have been numerous reports of scammers using phone numbers of organisations such as the Australian Taxation Office and NBN Co.

The second and third trials will start in the first quarter of 2020, and will target scam calls that try to entice Australians to call expensive premium numbers (by leaving a missed call on their mobile phone) and will also crack down on networks that carry a high volume of scam traffic.

"I want to thank the ACMA for this report and I look forward to working in partnership with industry to run these pilot trials as soon as possible," Minister Fletcher said.

"For too long, scammers have been targeting Australians. At the very least, they have been creating a major inconvenience, by harassing us over the phone, email and internet. At worst, they have caused victims significant emotional and financial hardship."

"This is why the Morrison Government is committed to taking action. If criminals are using technology to scam Australians, we will use technology to fight back," Minister Fletcher said.

A summary of the report is available on the ACMA website.

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Background

The Scam Technology Project

The ACMA leads the Scam Technology Project, in collaboration with the ACCC, the Australian Cyber Security Centre and telecommunications industry expertise and experience. The Project has been investigating technical solutions to scams perpetrated over telecommunications networks.

Stopping fraudulent number porting

On 14 October 2019, the Minister issued a formal direction to the ACMA to make new rules mandating stronger identity verification processes before mobile numbers can be transferred between providers, to combat fraudulent mobile number porting. All telcos are required to have implemented the standard by the end of April 2020.

Scam pilot trial 1: Blocking calls from scammers that are made to look like they are from well-known Australian businesses or organisations.

Scammers use technology to 'overstamp' their calls so they appear to be from local Australian numbers or well-known Australian businesses and organisations.

Scammers often imitate the Australian Tax Office and other entities, such as NBN Co. This 'overstamping' makes it more likely that people will pick up the call and can make it difficult for people to know when they are talking to legitimate organisations or scammers. International experience indicates it may be possible to block some of these calls.

This trial involves telcos identifying and blocking calls from illegitimately overstamped numbers.

Scam pilot trial 2: blocking Wangiri scams

'Wangiri' is a Japanese word meaning 'one ring and drop'. 'Wangiri' scams (or 'call-back') scams, are a significant international problem. Victims receive a missed call, often from an international number. When they call back, the call is charged at a premium rate.

This trial will be looking at whether telcos can identify and block Wangiri style calls.

Scam pilot trial 3: Cracking down on networks that carry a high volume of scam traffic.

Evidence suggests that the majority of scam traffic derives from overseas, arriving in Australia through a complex pathway. In general, a telco is only able to determine the previous provider that carried a call, whereas it may have travelled through many transit points from origin to termination. There is little current disincentive for domestic or international carriers to proactively reduce identified scam traffic.

This trial will look at various initiatives for identifying problematic carriers, and providing disincentives.