



Commission for  
**Communications Regulation**

## Information Notice

### **Protecting Phone Users from Internet Dialler Scam**

**Withdrawal of Directions (D13/04) to Internet Access Providers and Providers of Publicly Available telephone Services**

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## 1 Foreword

The Commission for Communications Regulation (“ComReg”) is responsible for the regulation of the Irish communications sector in accordance with national and European legislation. Both the Communications Regulation Act 2002 and the relevant European Directives which came into effect from July 2003 give ComReg a specific role regarding the protection of end users.

As a result of a growing problem of Internet Diallers Scams, ComReg issued Decision Notice D13/04 “*Protecting Phone Users from Internet Dialler Scam*”. This direction imposed obligations on Internet Service Providers and providers of publicly available telephone services. The measures imposed sought both to raise awareness of the issue and to protect consumers from Internet Dialler Scams.

Discussions have been ongoing with telephone service providers and international stakeholders with the aim of arriving at a robust solution which would ensure the protection of consumers. I am pleased with the discussions to date and the progress that has been made at an industry level to help deal with this issue.

I would like to thank all of those who have actively participated in these discussions which have enabled ComReg to withdraw the directions contained in Decision Notice D13/04. I am confident that the voluntary measures being put in place will adequately protect consumers going forward. We will however continue to closely monitor the situation and take whatever steps maybe necessary should the situation change.

John Doherty  
Chairperson.

## **2 Executive Summary**

ComReg welcomes the initiatives undertaken by the telecommunications industry and other stakeholders in addressing the issue of Internet Dialler Scams. ComReg has brought together leading telephone service providers and other stakeholders with the aim of arriving at a more robust and permanent solution to ensure that consumers are adequately protected from the prevalence of Internet Dialler Scams.

The significance of the problem not only relates to the number of consumers affected but the additional expenditure which those telephone subscribers have incurred. Since September, there has been a substantial reduction in the number of consumers that have suffered from this fraud.. Whilst there are still instances of such fraud being reported the consumer awareness of the matter has increased and actions taken by operators and Internet Service Providers has resulted in the impact on consumers being reduced significantly.

As a result of increased awareness and enhanced practices relating to the detection of the fraud and the consumer protection measures that are now in place, ComReg now deems it appropriate to withdraw the Direction placing obligations on Internet Access Providers and Providers of Publicly Available Telephone Services in respect of Internet Dialler Scams.

### **3 Introduction**

Decision Notice D13/04 imposed directions on Internet Service Providers and Providers of Publicly Available Telephone Services to ensure that consumers were adequately informed and protected from internet dialler scams.

While evidence continues to come to hand from other jurisdictions that the issue of Internet Dialler Scams continues internationally, the steps taken by ComReg and the resulting action of the leading telephone service providers and Internet Service Providers has resulted in increased consumer awareness. This increased awareness coupled with the various operator policies and codes of practice leads ComReg to the view that exceptional steps imposed at the time can now be lifted.

ComReg will continue to closely monitor the process in place and work with the industry to ensure that consumers are protected. ComReg will consider, given its obligations what further steps maybe appropriate should evidence of increased Internet Dialler Scams resurface.

## 4 Withdrawal of Directions

Following the publication of Decision Notice D13/04 ComReg has met with Operators and other interested parties / stakeholders to discuss putting in place a long term solution for the protection of consumers against Internet Dialler Scams. Based upon these discussions it has been agreed that operators through clarifications and enhancement of their existing practices and procedures can now provide their customers with the protection they need and expect

These developments include inter alia:

- Service Providers have voluntary codes of practice associated with handling the issue of consumer protection for cases of this type. These include, for example, refunding customers where they maybe innocent victims of this type of fraud;
- Service Providers have enhanced procedures and practices in place to address fraudulent activity. This should result in less instances of this type of fraud in Ireland. This process includes sharing of information [subject to adherence to the appropriate laws] regarding numbers which are thought to be associated with this fraud. ComReg will support this process and will deal with distant administrations as required to manage the problem in respect of reducing exposure of Irish consumers and Operators. ComReg will also explore with other bodies how the problem can be addressed on an international basis;
- A proactive approach by operators to ensure that their customers are made aware of the risks and an increased awareness generally by consumers following the measures imposed by ComReg.

In light of above circumstances and the responsibility operators have to protect their customers ComReg believes that it is now appropriate to lift, what were exceptional measures and in issuing this information notice is revoking Direction 1 and Direction 2 of D13/04.

ComReg wishes to thank industry for their continued cooperation in addressing this issue and for the ongoing activities associated with providing consumers with the protections they need and expect.

ComReg will continue to actively monitor the situation with regard to this and similar fraudulent activities and will, given its obligations, take whatever steps are necessary to protect consumers.