



13 December 2023

Hon Andrew Bayly
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Hon Brooke van Velden
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Copy to:
Minister for Police
Minister for Media and Communications

Dear Ministers

Briefing to incoming ministers: how the telecommunications sector is helping to address scams and fraud

Introduction

1. Congratulations on your recent election and ministerial appointments. You will no doubt be considering priorities for your portfolios, and what needs to be done to protect New Zealand consumers from rising levels of scams and other fraud. As you do, we thought you may be interested to hear about the work the telecommunications sector is doing, and has planned, to help address these issues. We also make some suggestions on what the Government can do to support our efforts.
2. We would very much appreciate the opportunity to meet and discuss. In the meantime, if you need further information, we would be happy to provide it.

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Introducing the TCF

3. The New Zealand Telecommunications Forum (TCF) is the industry body representing over 95 percent of the telecommunications sector. Our members include the operators of fixed line (fibre and copper) and mobile networks, retail service providers and tower companies.
4. Further information about the TCF and the telecommunications sector can be found in our Briefing to Incoming Ministers (attached) and our recent [Industry Report](#).

Cross industry initiatives to combat scams and fraudulent activity

5. As a sector we take scams and fraud very seriously. Under the TCF [Scam Prevention Code](#), service providers must take proactive steps to avoid and reduce scams, and reactive steps to identify, verify and take action on scam calls and scam SMS to landlines and mobile phones. The TCF actively monitors its scam calling and SMS notifications and works collaboratively with stakeholders in government and the banking sector to identify and block scam activity across telecommunications networks.
6. The scams we deal with include the situations where a consumer may receive unexpected contact from someone claiming to be from a trusted organisation, such as a bank, utility provider or a charity. The scammer may make requests for money or personal information such as credit card details or passwords over the phone or via text message. They may send a text message or an email that includes a link to a website or login page that looks exactly like the real thing but lets them collect information for criminal purposes. Information about common types of scams (such as government agency and other impersonation scams, marketplace scams and tech support scams) can be found [here](#) on the TCF website and [here](#) on the Netsafe website.
7. The sector is engaged in technical work, information sharing, and public awareness raising campaigns to address scams and fraud and protect consumers. We outline some of this below.

Technical work

8. The telecommunication sector has put in place a number of technical solutions to help address scams. These include:
 - a. Stopping fraudulent calls from outside New Zealand that look like they are from New Zealand banks (e.g. bank 0800 numbers). This is done by identifying phone numbers that are used in New Zealand by banks and dropping any calls from outside New Zealand claiming to be from those numbers.
 - b. Active monitoring of networks by our Scam Working Group to identify and block scam calling and text notifications and notify stakeholders in government and the banking sector.
 - c. The introduction of a two factor authentication process when numbers are ported from one mobile provider to another. This reduces the ability of offenders to access a victim's mobile

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service and information about their identity, and has been very successful in addressing number porting scams.

- d. Blocking identified malicious domains from being accessed at a network level – which means the links in emails or texts will not work.

Intelligence gathering and information sharing

9. Intelligence gathering and information sharing is a useful way to stop scams getting traction. The telecommunications sector does this in the following ways:
 - a. Mobile network operators receive alerts from the Department of Internal Affairs concerning harmful text messages (reported through its 7726-text number) which they can then investigate and block as appropriate.
 - b. Working extensively with law enforcement to support proactive and reactive intelligence, and active anti-fraud operations.
 - c. Participating in the Interagency Fraud Working Group (IFWG), which meets monthly to share intelligence and coordinate activity.
 - d. Through the cross-sector Fraud Awareness Seminar held on a quarterly basis to share information with each other and other partners (such as banks, insurance, government agencies and law enforcement) regarding the nature and levels of current activity.
 - e. Receiving information from international partners about scams seen in other countries and how to counter them before they arrive in New Zealand.
 - f. Responding to the recent Department of Internal Affairs (Digital Safety Team) Strategic Report Request for Information concerning the harmful and nuisance messaging environment in New Zealand.

Public awareness

10. Public education and awareness raising is critical. The TCF and its members support a range of campaigns, including Fraud Awareness Week (run by MBIE's Consumer Protection Team), Cyber Safe Week (run by CERT) and various consumer awareness campaigns run by Netsafe.

How you can help

11. As Ministers you can help by providing stronger deterrents, resourcing and training law enforcement, and providing a central point for consumers to report scams and get the support they need.

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Greater deterrents

12. The deterrent for people committing fraud via scams is too low. While scam activity that involves using credit card information and receiving funds from bank transfers is a crime under the Crimes Act, it is difficult to prove, and as a result Police may not prosecute or may seek a lesser offence under the Unsolicited Messages Act. Criminals know this and that the chance of being caught is relatively low relative to the rewards from the scam.
13. The Government can help by progressing legislative change to reclassify this sort of offence to allow for a more appropriate level of response from law enforcement, accompanied by greater penalties.

Resourcing law enforcement

14. Our members put a lot of time and resources into investigating scams and identifying offenders before handing cases over to law enforcement. These efforts are likely to reduce if cases are not actioned by law enforcement.

Including over the top providers

15. Solutions need to include over-the-top (OTT) providers of messaging services such as WhatsApp, Signal, Messenger etc. Telecommunications providers have no visibility of the content of these OTT messages.

A central body to look after fraud and scams for the consumer

16. There is no central body that looks after fraud and scams for the consumer. At the moment there are many different entities and touch points, including the Department of Internal Affairs, Netsafe, ID Care, the Police and service providers. This is confusing for consumers who wish to report fraud activity. Having a single, unified approach to reporting would help encourage reporting and speed up response times.
17. A number of countries are providing a central point via national anti-scam centres. We recommend that New Zealand explore the establishment of an anti-scam centre that brings together government, law enforcement, NGO and industry expertise. The key is that any such centre needs to be victim centric. The [Australian Anti-Scam Centre](#) has been established through consumer protection agencies (ACCC and ASIC) and is governed by an [advisory board](#). Various stakeholders are interested in or calling for the establishment of an anti-scam centre. The Government can play a valuable coordination role, bringing stakeholders together to determine the best approach for New Zealand and to avoid duplication of effort.

A meeting to discuss

18. We would very much appreciate a meeting to introduce ourselves and discuss the issues in this letter.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Paul Brislen', with a horizontal line extending to the right.

Paul Brislen
Chief Executive