

ISME,
17 Kildare Street,
Dublin 2.
4th July 2023

Minister Eamon Ryan TD,
Department of the Environment, Climate and Communications,
29-31 Adelaide Rd,
Saint Kevin's,
Dublin 2.

Dear Minister Ryan,

I am writing to you because small businesses continue to suffer losses in the tens of millions of euro per annum through failure to tackle online and telephone fraud. While we accept that it is never possible to eliminate online and telephony-based fraud, it is possible to implement relatively simple measures which would radically reduce it, and confine it to only the most sophisticated of criminal operators.

We are asking that your Department prioritises the tackling of two issues which severely impact small businesses, that of email compromise and scam texts/calls.

Tackle email compromise.

Email compromise is the root cause of a huge volume of online crime, so reducing it will also reduce other fraudulent activity. It is used to carry out invoice redirect fraud against businesses, or to circulate malware or ransomware. Emails are frequently compromised by phishing or social engineering; therefore, we know that good workplace security and password policy is essential in prevention. We have secured the assistance of the Garda National Economic Crime Bureau in training members in the best techniques to build resilient communications networks.

However, many otherwise secure businesses have been compromised by “spoofed” emails, many of which are capable of circumventing even the most alert of staff. The technology to screen such emails is available, and some service providers are very successful in minimising spoofed emails. However, the performance of service providers is highly variable.

The setting of meaningfully high standards for service providers to tackle bogus or spoofed emails would therefore cut off a significant amount of online fraudulent activity at source. We want your Department to prioritise this.

Tackle scam texts and calls.

ComReg estimates the cost of scam calls and texts in Ireland to be in the region of €300m per annum. Large numbers of businesses and consumers have been caught by “smishing” texts which purport to originate from toll operators, utilities or parcel delivery firms, and attempt to dupe recipients into paying bogus fines, tolls or making bank transfers.

Some mobile handset manufacturers have already installed filters capable of detecting incoming fake calls or texts, so we know the technology to disrupt scam texts and calls is there: it simply must be rolled out to all manufacturers and network operators. It is not acceptable to us that licensed telephony operators continue to tolerate known fraudsters on their networks given the enormous levels of fraud this results in for businesses and consumers. We are asking your Department to take a far more muscular and prescriptive legislative approach to stamp out this fraudulent activity.

We are happy to discuss the issue further with you and your Department should you wish.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Neil McDonnell', written over a horizontal line.

Neil McDonnell
Chief Executive

Copy: Mark Griffin, Secretary General, Department of the Environment, Climate and Communications
Patrick Neary, Assistant Secretary, Department of the Environment, Climate and Communications
Richard Browne, Director, National Cyber Security Centre