Consultation response

Field	Value
Responder	Cyber Defence Alliance
Responder Type	organisation
Org Role	Operations Director
Org Type	Other
Other Type	Non-Profit Organisation working within the financial sector

Volume 1: Context

3. Online advertising ecosystem

Q1: Is there any information or evidence you hold that could enhance our understanding of the online advertising ecosystem?

I have previously presented to Ofcom representatives, on several occasions, of our research into this problem and made many solution suggestions.

4. Causes and impacts of fraudulent advertising

Q2: Do you have any comments on Ofcom's assessment of the causes and impacts of fraudulent advertising? Do you think we have missed anything important in our analysis? Please provide evidence to support your answer.

We have seen malicious adverts being used by organised criminal groups from both the UK and from abroad. We noticed a very substantial uptick on Chinese threat actors, from 2024 onwards, abusing advertisements. The purposes was not solely APP/investment frauds but also a very significant uptick in digital wallet frauds whereby criminal obtain payment card information which they used to enroll a new digital wallet such as Apple, Google or Samsung Pay whereby that new digital wallet is used to purchase goods/gift cards. This International organised criminal activity is not captured in Ofcom reporting.

Q3: Do you agree with the examples of risky characteristics we have provided? Please provide any arguments and supporting evidence.

Yes, we have seen cloaking/click bait; celebrity endorsement; AI and deepfake; benign adverts being dynamically updated into fraudulent adverts. These have previously been reported to Ofcom.

5. Our approach to developing Codes measures

Q4: Do you agree with our proposed approach? Please provide any arguments and supporting evidence.

The 'general' proposed approach is agreed with.

6. Combined impact assessment

Q5: Do you consider the overall burden on the service providers in scope of our proposed measures to be proportionate? Please provide any arguments and

supporting evidence.

Yes, there is good evidence of the revenue streams received by such platforms, not just legitimate advertisement but also from malicious advertisement.

Volume 2: Risk, governance and control

2. Advertising intermediaries

Q6: Do you agree with our proposal? Please provide any arguments and supporting evidence.

If a platform does not have control over a particular advertisement pathway we feel that "use all reasonable endeavours to implement a version of the
measure(s)" is not strong enough. The codes should require that the platform "ensures that and third party responsible for the placement of the paid for adverts, complies with the codes and provides the necessary measure".

Q7: We have included two illustrative examples of when and how this measure may be applied, and what 'all reasonable endeavours' might look like. Do you have any comments on these examples, and do you have any additional examples of how providers could work with or require intermediaries to implement safety measures in circumstances where they have insufficient control? Please provide any arguments and supporting evidence.

See above. Platforms should not use pathways that lead to a failure to comply with codes. If a platform cannot achieve compliance with a code via a reasonable endeavour then that pathway should not be used.

3. Fraud indicator assessment

Q8: Do you agree with our proposal? Please provide any arguments and supporting evidence.

At a high level, yes however, more detail should be included. It would assist to list some of these characteristics (not an exhaustive list). The inclusion of the digital assets that render adverts, which platforms should be scanning for, to identify malicious java script/HTML should be specifically listed. To not use that technique would hamper platforms abilities to identify malicious adverts.

Q9: Do you think there are other information sources providers should consider in order to understand how fraudulent advertising manifests on their service? If so, what information and why would they need to consider it?

It would assist to list some of these characteristics (not an exhaustive list). The inclusion of the digital assets that render adverts, which platforms should be scanning for, to identify malicious java script/HTML should be specifically listed. To not use that technique would hamper platforms abilities to identify malicious adverts. Additionally, platforms should review any offsite resource that the advert refers users towards such as a website/domain. This would often provide the evidence that an advert is indeed malicious. Platforms should be encouraged to share these indicators to each other.

4. Governance and accountability

Q10: Do you agree with our proposals? Please confirm which proposed measure your views relate to and provide any arguments and supporting evidence.

Yes

5. Testing advertisement generation tools

Q11: Do you agree with our proposal? Please provide any arguments and supporting evidence.

Yes

Volume 3: Ensuring account integrity

2. Account checks and actions

Q12: Do you agree with our proposal? Please provide any arguments and supporting evidence. Where your feedback relates to a specific check we are proposing providers should carry out, please make this clear. These are :

Yes however when an account is shown to be set up for malicious purposes all adverts connected to that account should be removed and likewise, once an advert is found to be malicious, the account that created it and all other adverts should be investigated for removal.

Q12.A: verification that advertising account holders work for, or on behalf of, the individual or organisation they are advertising

Once a seller is identified their adverts should have 'Verified Seller' badges placed on their adverts/account.

Q12.B: checks and actions to prevent banned advertising account holders returning

The codes should include or encourage end user devices ID, cookie and other such identifier checks

Q12.C: checks for accounts with indicators that there is a material risk they will post fraudulent advertising so that restrictions can be applied to them

agree

Q12.D: repeat checks where there are relevant changes identified on an account.

agree, including significant dynamic changes to adverts

Q13: Are you aware of any other account checks and actions providers could do to protect users from fraudulent advertising? Please provide any arguments and supporting evidence.

The codes should include or encourage end user devices ID, cookie and other such identifier checks. Additionally, KYC Identity Verification Technologies should be used. If an advertiser has collected customers' emails or authenticated telephone numbers these email/telephone numbers should be contacted to state their data has been obtained by a fraudster.

3. Preventing fraudulent financial services advertising

Q14: Do you agree with our proposal? Please provide any arguments and supporting evidence.

Agree

4. Countering account takeover

Q15: Do you agree with our proposals? Please confirm which proposed measure your views relate to and provide any arguments and supporting evidence.

Account security verification should also include MFA checks

Q16: Do you have any evidence about account takeover that could inform our assessment, including how frequently it occurs or its impact?

None

5. Advertising bans

Q17: Do you agree with our proposal? Please provide any arguments and supporting evidence.

Agree. SSPs who have also passed along malicious adverts should be subject to further scrutiny and continued failures leading to a ban.

Q18: Are you aware of any additional exceptional circumstances in which it may be proportionate for providers to reverse advertising bans?

No

6. Account appeals

Q19: Do you agree with our proposals? Please confirm which proposed measure your views relate to and provide any arguments and supporting evidence.

Yes

Volume 4: Moderation

2. Advertising moderation

Q20: Do you agree with our proposals? Please confirm which proposed measure your views relate to and provide any arguments and supporting evidence.

New advertisers should be subject to additional checks until proven safe and reliable; takedown periods should be worded as "swiftly as possible and in any case within 24 hours" or similar. A subjective requirement is not ideal. Additionally, consideration should be given to applying a threshold for malicious adverts e.g. a provider should not have more than 1% of served malicious ads.

3. Terms of service and publicly available statements

Q21: Do you agree with our proposals? Please confirm which proposed measure your views relate to and provide any arguments and supporting evidence.

Agree

4. Advertising complaints (including DRC for trusted flaggers)

Q22: Do you agree with our proposals? Please confirm which proposed measure your views relate to and provide any arguments and supporting evidence.

Agree, however user accounts that are used to identify and report malicious adverts to the providers/platforms should not be taken down as currently occurs.

5. Ad libraries

Q23: Do you agree with our proposal? Please provide any arguments and supporting evidence.

Adverts should be required to appear in ad libraries before they are served to users. Meta, currently, only shows in ad libraries 24 hours after it has been served to users.

Q24: Do you agree with the principles, functionalities and information categories which we have included in the proposed measure? Please explain your reasoning and, if possible, provide supporting evidence.

Yes

Q25: Do you have any evidence or insights on the process of building an ad library from scratch or adjusting an ad library to align with the proposed measure, and how long that process would take?

No

Additional questions

Q26: Do you agree with our Equality Impact Assessment? Please provide any arguments and supporting evidence.

No response

Q27: Do you agree with our Welsh language assessment? Please provide any arguments and supporting evidence.

No response

Q28: Do you agree with our proposals? Please provide any arguments and supporting evidence.

No response