Consultation response

Field	Value
Responder	Microsoft Ireland Operations Limited
Responder Type	organisation

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?

No response

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.

No response

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

No response

5. Our approach to developing Codes measures

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

No response

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.

No response

Volume 2: Risk, governance and control

2. Advertising intermediaries

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

No response

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.

No response

3. Fraud indicator assessment

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

No response

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?

No response

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.

MIOL supports effective governance and accountability, but recommends clarifying that providers may satisfy these measures and underlying duties by incorporating the fraudulent advertising duties into existing governance and accountability arrangements established by the previous Codes of Practice; namely the Illegal Content Codes. For example:

FAS A1 (annual governance review). It would be helpful for Ofcom to clarify that this measure can be met by incorporating the service's review of all measures taken to comply with their statutory fraudulent-advertising duties into the existing ICS A1 annual review and/or risk assessment. This will help harmonize the additional measures in this draft Code of Practice.

FAS A4 (independent monitoring and assurance). Providers should be permitted to demonstrate all adopted measures are effective as part of its annual risk assessment as evidence of satisfying its statutory duties, rather than prescribe a standalone fraudulent-advertising internal audit function.

5. Testing advertisement generation tools

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

No response

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 :

No response

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

No response

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

No response

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

No response

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

No response

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.

No response

3. Preventing fraudulent financial services advertising

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

No response

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.

No response

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

No response

5. Advertising bans

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

MIOL supports robust enforcement against advertisers engaged in fraudulent activities. That being said, enforcement measures should remain proportionate to the nature and severity of the violation. In some cases, targeted remedial actions may be more appropriate than outright customer bans, particularly where less severe violations can be effectively addressed through alternative enforcement mechanisms.

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

No response

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.

No response

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.

MIOL broadly supports these measures. For FAS C4, we recommend that Ofcom preserve flexibility in how providers set and balance performance targets for timeliness and accuracy, based upon the unique set of measures and interventions deployed.

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.

MIOL supports the objective of providing users with meaningful information about the measures providers use to combat fraudulent advertising. However, we would recommend that Ofcom clarify that providers are not required to disclose information that could reasonably enable bad actors to understand, test, circumvent, or evade fraud detection and enforcement systems.
In practice, detailed disclosures regarding the operation, timing, logic, signals, thresholds, or methodologies of proactive fraud detection technologies may undermine their effectiveness by facilitating circumvention. MIOL therefore recommends that providers be permitted to satisfy these measures through high-level, non-sensitive descriptions of the technologies and processes used to address fraudulent advertising, without being required to disclose operational details that would create security, integrity, or abuse risks.

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.

No response

5. Ad libraries

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

MIOL supports the core transparency objective of maintaining an advertising library. However, in the effort to promote harmonization with existing legal frameworks and to reduce administrative burden, MIOL recommends that Ofcom align FAS E1 with the established Digital Services Act ("DSA") Article 39 baseline and established industry practices wherever the policy objective is the same, so that providers can reuse existing systems and users receive consistent information. MIOL believes that creating different fields and process regime may create avoidable inconsistencies without a clear corresponding safety benefit. The final measure should preserve the common baseline of a public, searchable, reliable repository containing relevant advertisement content and advertiser identity, while allowing service-appropriate implementation and reasonable processing latency. Aligning the UK measure with the DSA Article 39 baseline and established practices would also allow providers to reuse established data pipelines, controls, interfaces, and audit processes. Conversely, expanding or varying the scope of existing advertising libraries may be technically complex to implement, could materially affect the functionality and operation of advertising libraries, and may reduce the benefits of a more harmonized transparency framework.

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.

No response

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 response

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