

Investigation report

Summary	
Entity	Twilio Inc
Type of service	Carriage service provider
Relevant code	Industry code C661:2022 Reducing Scam Calls and Scam SMs
Findings	Breaches of clause 5.2.2
Date	14 August 2023

Findings

The Australian Communications and Media Authority (the **ACMA**) has found that Twilio Inc (**Twilio**) has contravened clause 5.2.2 of the Industry Code C661:2022 Reducing Scam Calls and Scam SMs (the **Code**).

Reasons

- 1. The ACMA's findings are informed by information and documents obtained from Twilio on:
 - 7 February 2023, in response to a statutory notice given under section 521 of the Telecommunications Act 1997 (the Act)
 - 9 March 2023, in response to a statutory notice given under section 521 of the Act
 - 19 March 2023, in response to a request for additional information, and
 - 18 April 2023, in response the ACMA's preliminary findings.

Relevant Background

- The Code places obligations on all carriers and carriage service providers (C/CSPs) to implement measures to protect consumers from harms caused by scams and to disrupt scam activity in Australia.
- Among other requirements, the code places obligations on C/CSPs to not originate Short
 Messages (SMs) traffic using Alphanumeric Sender IDs (Alpha IDs) without taking steps to
 confirm that the initiator of the SMs, the A-Party, has a valid use case for the Alpha ID.

Compliance with clause 5.2.2 – Improving Alphanumeric Sender ID Accuracy

- 4. Clause 5.2.2 of the code states:
 - If a SM uses an Alphanumeric Sender ID, Originating C/CSPs must only originate SMs on their Telecommunications Network using an Alphanumeric Sender ID where:
 - a) it does not present as a Number; and
 - b) the Originating C/CSP has been provided evidence by the A-Party confirming that the A-Party has a valid use case for the Alphanumeric Sender ID.
- 5. Clause 2.2 of the code states Alphanumeric Sender ID means a personalised identifier (for example, the name of a business or organisation) instead of a Number.
- To determine Twilio's compliance, the ACMA has addressed the questions set out in Table 1 below.

Table 1: Conditions for originating SMs using Alpha ID

Is Twilio a CSP?	Yes. Twilio is a CSP as defined at section 87 of the Act as it supplies carriage services to the public.
	Accordingly, Twilio must comply with clause 5.2.2 of the Code.
Has Twilio originated SMs on its telecommunications network using Alpha IDs where it does not present as a number?	Yes. Information obtained from Twilio indicates that it allows A-Parties to send SMs using Alpha IDs where they do not present as a number.
Was Twilio provided evidence by the A-Party confirming that the A-Party had a valid use case for the Alpha ID?	No, not in all cases. Twilio submitted that it "does not have a systemic process in place to check whether there was a valid use case for using Alpha IDs for SMs into Australia".
	In conducting the investigation, the ACMA tested compliance in relation to SMs sent using the first 25 Alpha IDs used on 4, 11, 18 and 25 January 2023.
	For 12 Alpha IDs used to send SMs, Twilio submitted it had an established relationship with its customers who sent the SMs. However, Twilio did not obtain evidence from the relevant A-Party confirming that they had a valid use case for the Alpha ID, before originating the SMs on its Telecommunications Network.
	There is nothing before the ACMA to indicate that the SMs sent involved scam activity.
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7. Accordingly, the ACMA finds that on 4, 11, 18 and 25 January 2023, Twilio did not comply with clause 5.2.2 of the Code on at least occasions. In reaching this finding, the ACMA notes it only tested compliance for a specific number of Alpha IDs used on four days.