



RE: Industry Code [DR C661:2022](#): Reducing scam calls and scam SMS

Enfonica is a Brisbane-based CSP providing API-first, self-service voice, SMS and phone number services. We would like to comment on the side-effects of 4.2.1(e) Option 1 and 5.2.1(e) Option 1 on competition and technical reliability.

Many CSPs do not interconnect directly and instead rely on wholesale agreements for calling, SMS and phone number services. It is common to acquire phone numbers from one CSP, and outbound call/SMS carriage from another CSP. This freedom of choice allows the CSP that purchases at a wholesale level to competitively acquire voice and SMS traffic.

It also allows one to purchase different types of phone numbers from different CSPs, without needing to use those CSPs for outbound calling. This allows the consolidation of traffic with a smaller number of CSPs for better and consistent pricing. Consistent pricing is important for making services as simple as possible for customers, allowing you to charge the same rate for a certain call type (eg "Call to AU mobile") instead of having multiple rates depending on which CSP issued the A-party phone number.

If Option 1 was in force, for a CSP that buys at the wholesale level to move their outbound call traffic to another wholesale CSP, they would also need to port all of their phone numbers. This can be substantially expensive with ACMA/INMS fees; can take a long time; can be subject to human error; and requires a large amount of coordination and time. Option 1 would substantially increase switching costs, and reduce the competitive ability of smaller CSPs.

Option 1 also substantially increases switching costs for other businesses, and will further result in decreased competition.

Many non-interconnected CSPs also use failover routing to route traffic between multiple wholesale CSPs for reliability purposes. "Carrier failover" is a common line of enquiry of customers to assess reliability. If Option 1 was in force, this type of failover routing would not be possible, and would ultimately result in lower service reliability.

I strongly urge you to abandon Option 1, as it increases the power imbalance between larger and smaller CSPs, and affects service quality.

I also ask why STIR/SHAKEN (or similar) is not discussed in this document *at all* for a potential solution to CLI spoofing.

Kind regards,

Shane Mitchell
CEO / Founder