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Response to

**Public Consultation Issued by the Info-
communications Media Development Authority**

on

**Proposals to Strengthen Safeguards for SMS
Messages to Singapore Users: Full SMS Sender ID
Regime**

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(b) Summary of Major Points

Inspire-Tech generally welcomes the proposal to further secure the SMS channel in view of the issues surrounding spoofed Sender IDs. However, a full SSIR regime for Singapore will have operational and cost implications to many Organisations, especially those that are small and medium sized. Therefore, Inspire-Tech wishes to respond to this Consultation Paper by sharing these concerns on behalf of small and medium Organisations and providing recommendations for IMDA's kind consideration.

(c) Statement of Interest

Inspire-Tech is a software company that developed EasiSMS, a middleware enabling customers to connect internal users and systems to SMS Aggregators. This gives customers a centralised middleware to manage and control all SMS-related use cases from within an Organisation to SMS Aggregators. Typically, this is deployed by large Organisations that also needs to separately sign up with SMS Aggregators for actual delivery of SMS.

To support small and medium organisations who often have very low SMS traffic volume, low budget (typically less than SGD 1,000 per year), and lack of SMS technical expertise, Inspire-Tech decided to offer EasiSMS as a SaaS offering branded as RapidSMS. This bridges small and medium Organisations with SMS Aggregators and provide advantages such as:

1. Enabling smaller Organisations (which are not served by some Tier 1 SMS Aggregators due to commercial reasons) to gain the benefits of digitalising their business processes
2. Providing cost-effective and simple interfaces for Organisations that may not have the expertise to manage technical integrations/issues with Tier 1 SMS Aggregators
3. Switching SMS Aggregators easily to ensure best service and cost-effectiveness (open market competition principle)

Many years prior to the setting up of SSIR in 2022, Inspire-Tech was aware of the risks around Sender IDs and have a KYC process to prevent misuse of RapidSMS. In the event of any misuse, RapidSMS customers can be easily tracked and made accountable. Despite existing operational challenges and weak commercial incentives, Inspire-Tech has continued providing RapidSMS to support small and medium Organisations and to play a small role in Singapore's Smart Nation drive.

(d) Comments

Consultation Paper Statement	Inspire-Tech Comments
<p>"3. One way to mitigate the spoofing of the Sender IDs is to establish a registration system for the use of such Sender IDs in Singapore."</p> <p>"9. In view of the above policy considerations, IMDA proposes to make Sender ID registration a requirement for all Organisations that choose to use Sender IDs (i.e., the Full SSIR Regime). This means that only registered Sender IDs can be used, and all <i>non-registered Sender IDs will be blocked as a default.</i>"</p>	<p>Inspire-Tech supports the establishment of a registration system and thanks IMDA for the efforts in setting up SSIR. However, current SSIR process remains manual and cumbersome.</p> <p>Recommendation: Inspire-Tech recommends that a robust web portal be set up first before implementing a full SSIR regime. This portal shall enable Organisations to:</p> <ol style="list-style-type: none"> 1. Authenticate using Singpass 2. Register and manage Sender IDs 3. Authorise representatives (such as Inspire-Tech Pte Ltd) to send SMS with the Organisation's registered Sender ID on its behalf. Currently this is done manually through a "Letter of Authorisation" ("LoA").
<p>"8. Globally, IMDA notes that there are around 50 jurisdictions that require some form of Sender ID registration, such as UK, Spain, Indonesia, and the Philippines. However, most of these jurisdictions do not provide certainty that Sender IDs are protected from spoofing, due to factors such as the voluntary registration regime, post-hoc blocking process and limited enforceability, amongst others."</p>	<p>Some of these jurisdictions may have considered implementing a full SSIR regime but decided against it.</p> <p>Recommendation: Inspire-Tech recommends that IMDA evaluate further into the rationales why some jurisdictions may have decided against full SSIR regime or may have tried but faced challenges. These could be valuable considerations for better design and implementation of full SSIR regime.</p>
<p>"13. Registration: All Organisations who send SMS with Sender IDs must first present a valid identification, i.e., the local unique entity number ("UEN") as issued by relevant government agencies. The UEN provides a single verification source to ensure the authenticity of the registering Organisation. IMDA has considered that it is important to know that the Organisation is indeed in business in Singapore and has a valid identification. The UEN, which is commonly used in Singapore today, will serve that purpose."</p>	<p>Inspire-Tech agrees with the use of UEN as a valid identification. However, such a process remains manual and cumbersome.</p> <p>Recommendation: Aligning with Smart Nation Singapore's trusted National Digital Identity (NDI) initiative, Inspire-Tech recommends that the SSIR registration process be as seamless and frictionless as other government services by leveraging on Singpass.</p>

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<p>"17. Organisations with the valid identification (i.e., the UEN) can then register with the SSIR, and protect the Sender IDs they wish to use when sending SMS to Singapore mobile users. To make the SSIR accessible to all types of businesses, the fees today are as follows: (a) one-time set up fee of \$500; and (b) \$1,000 a year for up to 10 Sender IDs that Organisations wish to protect⁶. These fees will remain unchanged under the Full SSIR Regime so that the SSIR continues to be available to all Organisations."</p>	<p>These fees are still costly, especially for start-ups and small Organisations. In comparison, domain name typically costs around SGD 10 to SGD 300 a year, while email services are about SGD 80 to 120 per user per year. RapidSMS service starts from less than SGD 1,000 per year. Hence, the admin fees for registering for SSIR are greater than the actual service itself.</p> <p>The admin fees seem to suggest that the current operational costs of SSIR is high due to the current process is predominantly via manual email and administrative in nature.</p> <p>Recommendation: Inspire-Tech recommends that IMDA reviews the process to improve efficiency and reduce the fees for full SSIR regime. This is given that a huge number of Organisations will be required to register as compared to current voluntary system.</p>
<p>"20. Under the Full SSIR Regime, all Aggregators who handle SMS with Sender IDs must first be licensed by IMDA. IMDA notes that many international Aggregators have already been licensed in Singapore⁸, and are amongst the 40 Aggregators participating in the SSIR and serving the Singapore market (also see Annex A)."</p>	<p>There are various parties involved in SMS ecosystem due to the vibrancy and diversity of Singapore's competitive digital landscape. For example, Organisations frequently expects software vendors to handle personalised SMS-related features on behalf of the Organisations as part of the overall software offering. These software vendors are distinctly different from SMS Aggregators. Currently, this is made possible through a manual LoA and email process.</p> <p>Recommendation: Inspire-Tech recommends that IMDA recognises Authorised Representatives as key participants of SSIR regime and implement a more efficient process for Authorised Representatives (e.g. via a web portal).</p> <p>Authorised Representatives would then help Organisations to connect with Participating Aggregators (who are the experts focused on delivering SMSes and implementing SSIR controls). This will ease the operational burdens</p>

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	<p>of both Organisation and Participating Aggregators.</p> <p>Other than improving the efficiency of registration, this will also keep the existing ease of switching between Participating Aggregators, ensuring that the industry remain vibrant and competitive with minimal cost of switching, in the spirit of retaining an open market.</p>
<p>"23. IMDA recognises that the above requirements under the proposed Full SSIR Regime will require transition by Organisations and Aggregators sending and managing SMS with Sender IDs to Singapore mobile users today. To allow sufficient time for Organisations and Aggregators to adjust, IMDA will provide a transition period starting in October 2022 before the Full SSIR Regime commences in December 2022."</p>	<p>Given that there are about 563,000 business entities with ACRA that have been issued with UEN and that only "over 120 Organisations" have signed up with SGNIC as of July 2022, the transition period may not be adequate.</p> <p>Recommendation: Inspire-Tech recommends that IMDA setup a robust web portal first before implementing a full SSIR regime. This will facilitate a smoother and more effective transition, matching the high standards of other digital services provided by the Singapore Government.</p> <p>In view that IMDA and SGNIC require time to implement this, a risk-based approach can be adopted during this interim period. For example, IMDA can start with blocking SMS using non-registered Sender IDs initiated from foreign or unverified sources which are of higher risks.</p> <p>For legitimate ACRA-registered Organisations with local Shareholders and Directors (trackable in Singapore), which are verified by Participating Aggregators, shall retain the existing arrangements until the web portal is ready.</p> <p>This will help reduce operational disruptions and maintain the vibrancy in Singapore's digital ecosystem while addressing the concerns surrounding spoofed Sender IDs.</p>

(e) Conclusion

In conclusion, Inspire-Tech supports IMDA's aim to further secure the SMS channel. However, this will also bring about disruptions and costs implications, especially to small and medium sized Organisations that are already facing issues like rising costs and business disruptions. In addition, scam cases are not solely due to spoofing of Sender IDs alone and more comprehensive approach would be required.

Inspire-Tech recommends that IMDA incorporates the various scenarios from all Respondents to this Consultation Paper and develop a more comprehensive and efficient SSIR process, including the setting up of a web portal. This will minimise disruptions, eliminate wasteful manual administrative efforts, and deliver a more effective SSIR regime. During the interim period, a risk-based approach can be adopted to further reduce the risk of SMS scams via spoofing of Sender IDs.

It is also important to differentiate industry players whose core business is SMS delivery as compared to industry players whose core business is software and digital focused but wants to assist Organisations navigate through the SMS landscape easily, securely, and cost-effectively.

A successful transition and implementation of full SSIR will again showcase IMDA's ability to achieve what others were unable to, demonstrating Singapore's leadership in securing the digital economy, both effectively and efficiently.

Inspire-Tech thanks IMDA for the opportunity to participate in this Public Consultation and looks forward to further announcements regarding improvements to the SSIR regime.