CAN DIGITAL ID HELP TO BEAT THE FRAUDSTER?

cifas

The UK's Fraud Prevention Community

We are the UK's Fraud Prevention Community

We are a trusted not-for-profit membership organisation bringing together a vast network of organisations to prevent fraud.

Our Mission

Is to lead the fight against fraud by;

- Building the largest data, intelligence and knowledge sharing community,
- Using the power of that community to protect organisations and individuals from the harm caused by fraud; and
- Creating an environment where fraud doesn't pay.

In the last 12 months...

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Over
£1.5 billion
in fraudulent conduct prevented

£200+
in fraudulent conduct prevented for every £1 spent on membership

Over
371,000
records of fraudulent conduct recorded

Over
49 million
direct searches of our databases

Over
7,500
matches by members to images using our Facial Matching tool

Over
300
fraud threats shared with our members

Over
60
exclusive events and webinars for members

Delegates from
120
organisations trained by the Cifas Fraud and Cyber Academy

Cifas membership

475
National Fraud Database members

284
Internal Fraud Database members

22%
Growth in membership in the last year

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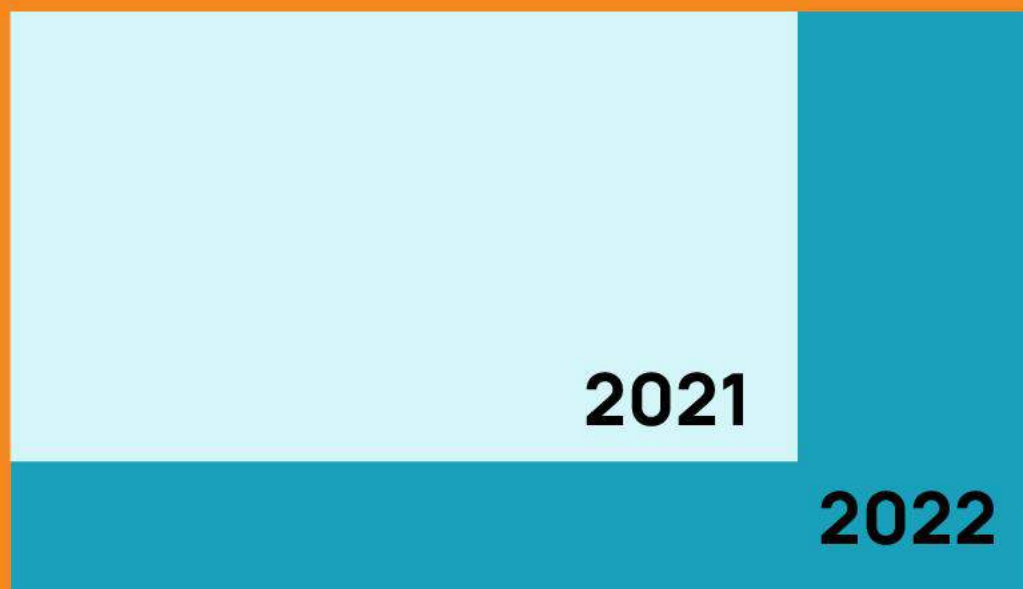# Over 309,000 cases of fraudulent conduct were recorded between January and September 2022

17% on the same period last year

11% on-pre pandemic levels

VISIT WWW.FRAUDSCAPE.CO.UK FOR FULL REPORT

FRAUDSCAPE 2022 • IDENTITY FRAUD

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2021

2022

PRE-PANDEMIC

2022

Identity fraud cases are up 34% (210,886 cases) on the same period for 2021 and up 23% on pre-pandemic levels.

Can Digital Identity help to beat the Fraudster?

YES

but...

Fraud always evolves quicker than industry reacts and attacks weak links

4 Key Risks

1. **Hard to verify Identity securely**

2. **Fraudulently Obtained Genuine Documents**

3. **Consumer not informed when their Identity is used**

4. **No regulatory incentive to investigate and share fraudulent conduct - Public/Private**

What could we do?
1. MAKE IT EASIER TO VERIFY IDENTITY

- Enable the automated checking of document information against authorities sources. Private sector cannot directly check Passports and Driving Licences to ensure they have been issued and to that person. Deepfake and AI will make this even harder over time potentially.

- Some of this was done for Verify and no longer used but could be built on to provide assurance of genuine document and who it was issued to.

- How would an organisation know someone had a digital identity? What could be done here?

What could we do?

2. FRAUDULENTLY OBTAINED GENUINE DOCUMENTS (FOGS)

- **Require issuing bodies to supply and share information on FOGS in circulation either in data or via API service to maintain privacy to private and public sector.**

- **Ideally this would be done to include Lost and Stolen document data to private sector ideally not just UK.**

Response to a recent Freedom of Information request by UKIFA

The number of UK passports reported lost to HMPO by passport holders in the past 5 years from 31 October 2022 was 1,472,486

That's an average of 294,497 lost passports every year
2,035 of which were lost by courier in the UK
583 of which were lost by International Secure Delivery

Cyber crime group Hades offering about 40.000 passports, 20.000 Swiss ones and 20.000 German ones.
Other countries are also affected.
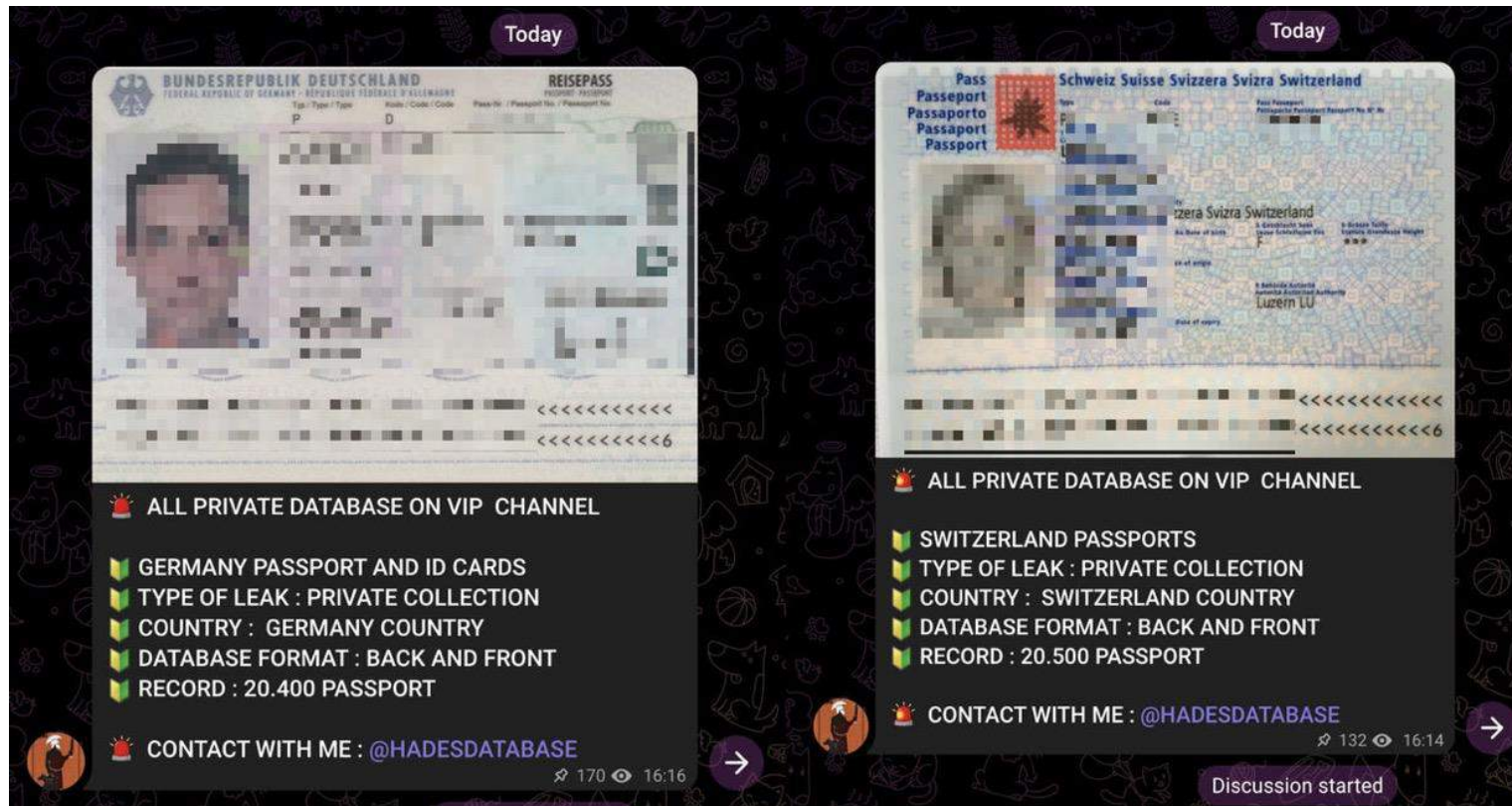The total is 1,346,600 passports available for sale.

What could we do?
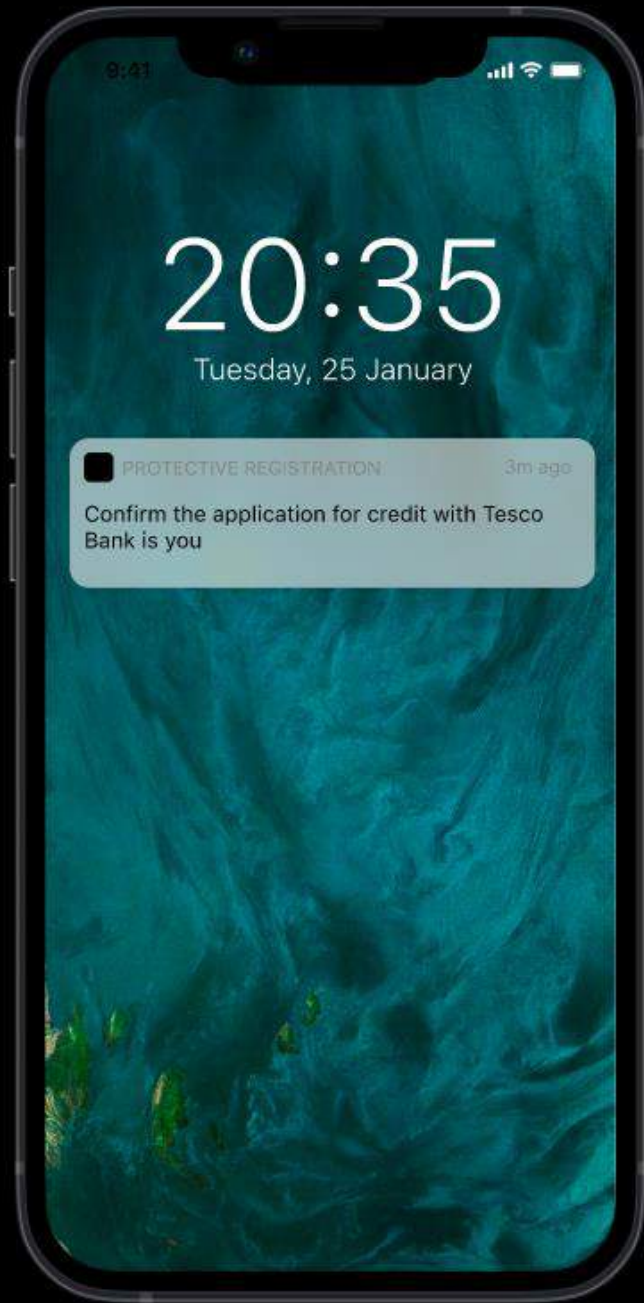
3. LOOP THE CONSUMER INTO USE OF THEIR DATA

- **Fraudsters will either try to obtain a Digital Identity in my name or more likely just target services where you can apply without one. We need to loop the consumer across all uses of their Identity.**

- **Cifas has been working with its members on a concept to inform the consumer whenever their information is used whether its via a digital identity or not. Innovate UK grant has been awarded to build a pilot but we need to build support and momentum on a long roadmap.**

"

"The app will alert you to any use of your details online so you can act immediately if you suspect fraud."

20:35
Tuesday, 25 January

PROTECTIVE REGISTRATION   3m ago
Confirm the application for credit with Tesco
Bank is you

What could we do?

4. MORE INCENTIVE TO INVESTIGATE AND SHARE FRAUDULENT CONDUCT

- Public/Private data sharing is still very much one way, private could benefit massively from two way sharing. Can we get Public Sector to do this?

- All organisations should be accountable for their part to help the greater good when preventing fraud not just prevent for themselves. It costs to investigate so optional is an issue. Should be a requirement not an option. Should be required and seen to investigate and share.

- The standards are only effective if they are continually updated to reflect best in class fraud prevention, and there needs to be an effective review process to ensure that IDPs are adhering to the spirit of the standards and not just the letter.

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LEADING THE FIGHT AGAINST FRAUD

THANK YOU