

New cell phone laws will benefit industry



By [Dr Pieter Streicher](#)

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New laws are about to be introduced which place the onus on telecommunication service providers to obtain and keep information on their clients. While contract users already have to provide personal information to the network operators, the new amendments to the *Regulation of Interception of Communications and Provision of Communication-related Information Act* tightens control on the pre-paid market.



These regulations aim to ensure the lawful use of cell phones and SIM cards. The proposed Act requires users to report lost, stolen or destroyed cell phones and SIM cards at any police station. Failure to do so will constitute a criminal offence.

The Act, however, is in fact geared to address unlawful actions. Criminals often exploit telecommunications in the planning, organisation and commission of organised crime, cash heists and serious violent crimes. Anonymously owned prepaid mobile phones are ideal for these purposes and the new legislation's focus on identifying owners of pre-paid cell phone will provide the law enforcement agencies with the means to trace criminal activity.

While I agree that there are practical considerations in implementing the new laws, such as ensuring that systems are in place to manage critical consumer data at the point of sale, I do believe these laws will greatly benefit the wireless and online retail industries. These benefits include:

- Combating online fraud

Online businesses will be able to utilise the personal details linked to a cell phone number to combat credit card fraud. Currently a fraudster does not have to be in possession of the card and can purchase merchandise online by simply providing someone else's valid credit card details. In this instance, the merchant carries all the risk, and should the owner of the card query the transaction the merchant could lose the money received as well as the goods sold. This type of crime is very difficult to root out as the crime could be committed anywhere in the world from an online terminal.

To significantly reduced online fraud, during the transaction the merchant would require the purchaser to enter a security code SMS'ed to his or her cell phone. If the purchaser used their own phone but the credit card of someone else the merchant can report the discrepancy. The identity of the purchaser, via the cell phone number used, would be accessible to the police. Nevertheless, fraud could still take place but would require the use of a recently stolen phone that had not as yet been reported as stolen.

- Curbing sex abuse calls

Persons wishing to report sex abuse calls, such paedophiles making lurid calls to minors, will be able to report the cell phone number of the incoming calls to the police. The police would be able to trace the identification of the caller due the new Act's cell phone and SIM registration requirements.

- Preventing the delivery of adult content to mobile phones

Many parents are concerned about the easy accessibility of adult content on cell phones. At present it is almost impossible for mobile operators to prevent the delivery of adult mobile content to phones of children if they do not have the identities (hence age) of SIM card owners. Without this age verification measure, in order to regulate adult mobile content, mobile network operators would have to ban all pre-paid phones from accessing the internet via GPRS or 3G.

Many parents regard this risk of accessing adult mobile content as the major reason for not allowing their children to own cell phones. The proposed legislation will significantly reduce these problems, and as a result, increase regulated cell phone usage among children.

ABOUT DR PIETER STREICHER

Dr Pieter E. Streicher graduated from WITS with a BSc-Eng(Civil) in 1991. In 1996 he received his PhD from UCT. He worked as a civil engineer for four years at HIO Africa. In mid-2000 Dr Streicher, along with Richard Simpson, (BSc-Eng(Civil), MBA), established Celerity Systems (Pty) Ltd. BulkSMS.com was set up as a division of Celerity Systems to focus on SMS solutions for business and mobile users. Today, the Cape Town based company is a leading wireless application service provider offering services nationally and internationally. Dr Streicher is active in the Wireless Application Service Provider Association (WASPA) and sits on the WASPA working group addressing national regulatory issues.

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