



Council of the European Union
General Secretariat

Brussels, 21 February 2025

Interinstitutional files:
2023/0209 (COD)
2023/0210 (COD)

WK 2434/2025 INIT

LIMITE

EF
ECOFIN
CODEC

This is a paper intended for a specific community of recipients. Handling and further distribution are under the sole responsibility of community members.

WORKING DOCUMENT

From: General Secretariat of the Council
To: Working Party on Financial Services and the Banking Union (Payment Services/
PSR/PSD)
Financial Services Attachés

Subject: IE Non Paper Presentation: Fraud Prevention Measures



An Roinn Airgeadais
Department of Finance

PUBLIC

Fraud Prevention Measures

Ireland

21 February 2025

Fraud Statistics



- Fraud, Deception and Related offences up 21% in the year to Q2 2024
- Over a five year period, the 12,643 crime incidents recorded in 2024 were 56% higher than the 8,083 recorded in 2020
- The Commission for Communications Regulation (ComReg) noted 365,000 cases of fraud in 2022 as a result of scam calls and texts, and over 5,000 businesses were the victim of fraud after receiving scam calls and texts.
- ComReg estimates the total quantifiable harm to Irish society arising from scam calls and texts at over €300 million per annum

December Paper



PUBLIC

- As drafted, our original paper would face challenges in meeting its stated aims, particularly with regards Article 8 of the DSA.
 - **Article 8 - No general monitoring or active fact-finding obligations**
No general obligation to monitor the information which providers of intermediary services transmit or store, nor actively to seek facts or circumstances indicating illegal activity shall be imposed on those providers.
- Taking account of this, as well as the feedback from the European Commission and the importance of the topic in mind, we have refined the proposals in our original non-paper.

Article 59 (5)



Article 59

(5) To facilitate the reporting of fraud, including that referred to in paragraph 1, by payment service providers, electronic communications services providers shall establish dedicated communication channels. Once in receipt of such reports, electronic communications services providers shall cooperate closely with payment service providers and act swiftly to

- Ensure that appropriate organizational and technical measures are in place to safeguard the security and confidentiality of communications in accordance with Directive 2002/58/EC, including with regard to calling line identification and electronic mail address.
- Remove or block access to content of relevance to the cause of the reported fraud; and
- Where it is inappropriate to take such action, electronic communications services providers shall explain the reasons.

Article XX



PUBLIC

Article XX

Verification of advertisers of financial products

Very large online platforms and very large online search engines, within the meaning of Article 33 of EU Regulation 2022/2065, shall not engage in the dissemination to the public in any Member State of any advertisement for any regulated financial service in that Member State unless the advertiser:

1. is a regulated financial service provider that is
 - *authorised to provide that regulated financial service in that Member State; or*
 - *an entity authorised to do so as a result of it establishing a branch or by providing services, where it is authorised and supervised by the competent authorities of another Member State, provided that such activities are covered by the authorization, or*
 - *an entity otherwise authorised to provide those services by the competent authorities of that Member State;*

— or
2. is exempt under the law of that Member State from requiring to be authorised to provide that regulated financial service in that Member State; or
3. is acting on behalf of or as agent of a regulated financial service provider that itself is authorised to provide that regulated financial service in that Member State; or
4. is acting on behalf of or as agent of an entity that is exempt under the law of that Member State from requiring to be authorised to provide that regulated financial service in that Member State.

Outcome



PUBLIC

- In Ireland the volume of investment fraud attempts the first half of 2024 increased by 76% compared to the same period in 2023
- A further trend consists of fraudsters posing as 'recovery firms' re-targeting customers who have been a victim of fraud
- With the majority of majority of investment fraud cases beginning on social media, we believe our proposals could have a significant and positive effect, preventing these crimes and creating safer experiences for customers

PUBLIC

