



INFORMATION SHARING: A VITAL RESOURCE

The payments industry regularly evaluates opportunities and solutions to mitigate losses caused by scams. A [scams information sharing industry work group](#) recommends that the industry consider creating a solution or establishing an independent information exchange framework to provide a holistic view of scam intelligence from existing sources across payment rails.

Stakeholders across the U.S. payments ecosystem lack real-time access to the current, industrywide information necessary to develop effective strategies to detect and prevent a growing number of scams — and other fraud types — that cause significant financial losses and negatively impact both consumers and organizations. Most information about fraud and scams remains siloed, causing fragmented, less effective attempts to combat them. Furthermore, information sharing is held back by the complexity of the challenge and lack of an industry-level solution.

“Disconnected efforts to detect and prevent scams allow criminals to repeat tactics — with minor variations — on multiple victims. Sharing information about these tactics and trends can help individual organizations and the entire industry work together to prevent and mitigate scam attacks.”

Mike Timoney, vice president of payments improvement
Federal Reserve Financial Services

The scams information sharing industry work group was launched in June 2023 with administrative support by the Federal Reserve. It was made up of 30 fraud prevention and payments experts from across the U.S. The work group explored information-sharing approaches related to scam activity, with a focus on fostering collaboration within the industry to bring about voluntary and collective change in the fight against scams.

In August 2024, this group [released a report \(PDF\)](#) to recommend that the industry consider a solution or establish an independent information exchange framework to provide a single source for scam intelligence across payment rails, which includes ideas on how an exchange could be established and evolve. However, identifying or building a solution with the full functionality envisioned by the industry work group will take time.

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What is the Path to Information Sharing?

An information exchange could connect existing and future information sources and allow organizations to gain a comprehensive view of emerging scam threats, patterns and tactics. It would enable better analysis and more effective preventative measures.

If the payments industry pursues an exchange, the industry work group recommends establishing a governing body — an industry-led group or coalition — to govern the information exchange and advance scam information sharing. Its purpose includes identifying scam information to be shared by payment stakeholders, developing an engagement plan to involve key stakeholders, recognizing gaps in the current information-sharing landscape, and determining priorities for effective information sharing. Subsequent steps would be to define permissible uses of the exchange, vet proposed participants based on industry standards and other criteria, outline privacy requirements, and evaluate options for a funding mechanism that offers access at minimal cost and encourages widespread use.

To expedite the exchange’s launch and value, the industry work group recommends a phased approach that starts with minimal viable functionality, as shown in the graphic below.

- In the initial “function 1” phase, organizations should be able to submit scam-related insights/trend data and access scam attribute and awareness reports, which in turn can be used by other participants to aid in detection and prevention of current and emerging risks. Exchange content could be aggregated and accessible through a portal or distributed to information exchange participants, with standardized templates and predefined fields to ensure consistency.
- Functions to be introduced in later phases would focus on providing access to scam receiver account information and accepting scam data provided by participants.

Initial Phase	Future Phase					
Function 1	Function 2	Function 3	Function 4	Function 5	Function 6	Function 7
The exchange will source scam attribute and awareness reports based on information provided by industry organizations.	Participants can identify if a receiver account has been reported for scam activity.	Participants can identify receiver accounts for their institution that have been reported for scam activity.	Participants will submit receiver accounts suspected of scam activity.	Participants will provide outcomes for identified scam accounts for Function 2 and Function 3.	The exchange will produce trend reporting based on queries and reported outcomes.	Participants can contest accounts reported for scam activity.
Intelligence	Detection			Exchange Reporting		Inquiry



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Next Steps

The industry work group's recommendations are intended to promote dialogue, identify key considerations, encourage action to increase information sharing, and ultimately thwart the growing impact of financially costly scams.

The scams mitigation toolkit was developed by the Federal Reserve to help educate the industry about scams and outline potential ways to help detect and mitigate this fraud type. Insights for this toolkit were provided through interviews with industry experts, publicly available research, and team member expertise. This toolkit is not intended to result in any regulatory or reporting requirements, imply any liabilities for fraud loss, or confer any legal status, legal definitions, or legal rights or responsibilities. While use of this toolkit throughout the industry is encouraged, utilization of the toolkit is voluntary at the discretion of each individual entity. Absent written consent, this toolkit may not be used in a manner that suggests the Federal Reserve endorses a third-party product or service.