Where are you heading, Security?

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Criminality in banking

Criminality in banking is as old as banking itself

- Local presence of the gangster was required
- Sheriff was able to act

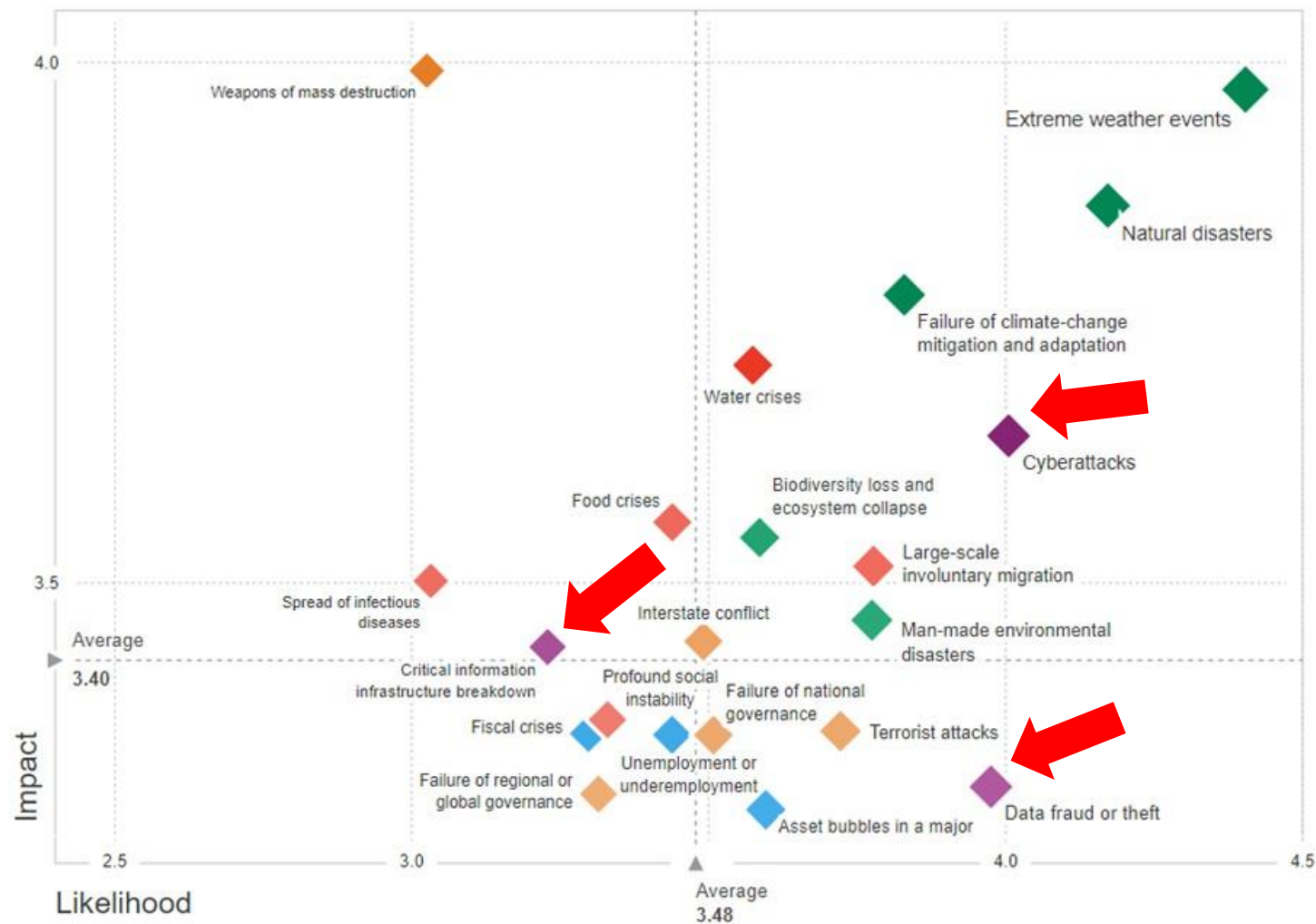**What is the motivation of the attackers?**

- Money
- Revenge
- Belief

What has changed?

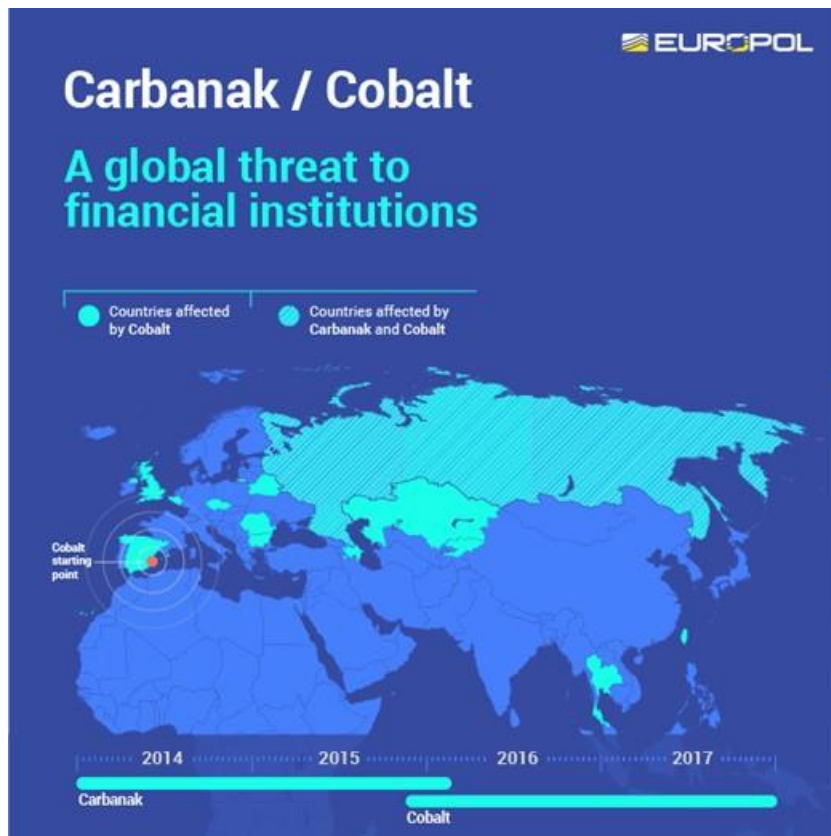SLOVENSKÁ sporiteľňa

Actual trends

Global Risk Report

Source: The Global Risk Report 2018, World Economic Forum

Cyber Attacks

Trends

- Perception

- Security skills shortage

- Big Data, Machine Learning, AI

A year ago... And now...

National bank security guidelines	ISO 27000	PCI DSS

- General Data Protection Regulation
- Network Information Security Directive
- Payment Service Directive 2
- European Banking Authority (EBA) Guidelines
    - Strong customer authentication and secure communication
    - Security measures for operational and security risks
    - ICT Risk Assessment / SREP
    - Reporting of Fraud Data
- ECB Significant Incident reporting
- SWIFT Customer Security Program

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Main topics of the regulations

Higher security requirements

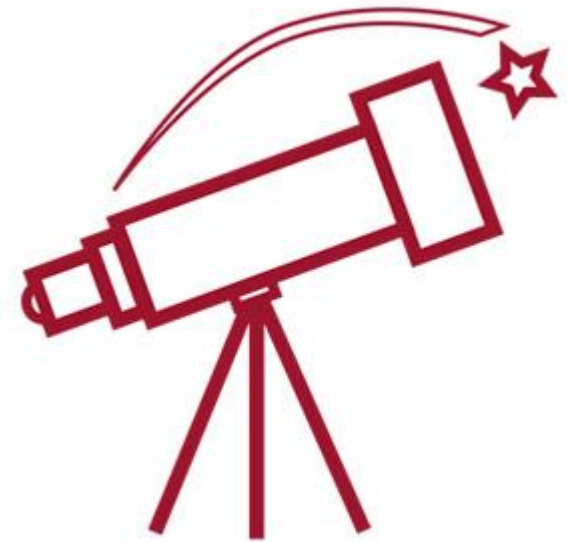- Additional costs
- Higher demand for security employees

Incident Reporting

- 2 hours, 4 hours, 72 hours, without undue delay…
- Every reporting have it's own template and channel
- Very demanding for international companies

Fines

- 20mn, 4%, 1%, …

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How will the future look like?

More of the same, but better

Clients trust banks that they can keep they money secure and provide services with added value. 3rd parties were not sufficient in providing added value services to clients. Banks are able to invest into security sufficiently to avoid significant incidents. Security automatization helps to keep skill shortage under control. Regulators were able to harmonize requirements to optimize needed efforts.

Security	Economy	Customer trust	Regulations
↗	→	→	↘

Worse (decay and depression)

Many successful attacks against banks and digital service providers caused massive losses and data leakages. Clients are moving from electronic money back to cash and towards cryptocurrencies. Sales in all banking product dramatically decreased due to loss of customer trust. Tight budgets also limits investments to security which leads to further possible attacks.

Security	**Economy**	**Customer trust**	**Regulations**
↘	↘	↘	↗

Different but better (fundamental change)

Clients perceive banks as a partner which serves their primary needs. All banking services are provided online. New technologies have solved many difficult security issues.

Banking platforms are successfully utilized by 3rd parties enabling fast innovations. Open cooperation helps to fast mitigate any potential security threat.

Security	Economy	Customer trust	Regulations
↗	↗	↗	↘

Key Take-aways

- Motivation of the attackers is still the same, they are only using actual methods

- Too much regulations drains valuable resources

- Nobody knows how the future will look like, but it is usually shaped by significant events

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Thank you for you attention!

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