



Third meeting of Euro Cyber Resilience Board for pan-European Financial Infrastructures (ECRB)

Frankfurt am Main, 28 June 2019
09.30 to 12.30, Sonnemannstrasse 20

PUBLIC SUMMARY

Participants

- Representatives of the financial infrastructures TARGET Services (TARGET2, Target2Securities), EBA CLEARING (EURO1, STEP2-T), STET, equensWorldline, Iberpay, RPS/EMZ, Euroclear Group, London Stock Exchange Group (Monte Titoli, LCH Clearnet), BME Group, EuroCCP, Mastercard, NasdaqClearing, KDPW S.A., Deutsche Börse Group (Eurex Clearing, Clearstream), SWIFT and SIA.
- Member of the Executive Board of the ECB.
- ECB officials from the Directorate General for Market Infrastructure and Payments.
- Officials from the European Commission, European Union Agency for Network & Information Security, ECB Banking Supervision, European Securities & Markets Authority, Deutsche Bundesbank, Banque de France, Banque Centrale du Luxembourg, Banco de Espana, De Nederlandsche Bank, Banca d'Italia, Nationale Bank van België and Danmarks Nationalbank.
- Not attending / excused: Visa Europe, European Banking Authority and Europol.

1. Introduction

The Executive Board Member for the ECB and Chair of the ECRB¹ provided introductory remarks.

¹ <https://www.ecb.europa.eu/press/key/date/2019/html/ecb.sp190628-7028294af9.en.html>

2. Cyber threat landscape and outlook

A commercial threat intelligence provider provided a presentation on the latest cyber threat landscape and the outlook going forward.

3. ESCB cyber survey of Europe's FMI – aggregated results and main findings

The Secretariat provided feedback on the second round of the cyber survey results, conducted amongst payment systems, CSDs and CCPs across the EU, in 2019. The cyber survey was repeated across largely the same population of FMIs as those in 2017/18.

The feedback focused on cyber governance, training and awareness, detection capabilities, assurance from third party providers and preparedness for cyber incidents. Overall, it was concluded that whilst there has been improvement across the board since the first round of cyber surveys, there still remains much to do to enhance the collective resilience of the financial ecosystem.

ECB Banking Supervision provided some of its own insights on banks, based on a variety of supervisory activities. ECB Banking Supervision noted that the weakest IT risk areas that banks face are IT risk management and data management. Furthermore, end-of-life technologies are still used for a significant number of critical business services. And regarding outsourcing to third parties, ECB Banking Supervision noted some concentration risk.

There was general consensus amongst members on the usefulness of the cyber survey and the findings, which resonated with members and other authorities.

Members suggested that the ECRB members should take the opportunity of the close and trusted relationship that is being fostered, to facilitate dedicated workshops, working groups and engagements to share best practices and cross-fertilise skills and resources on key topics. The Chair concluded that the ECRB Secretariat would follow up with a stock take of all topics that ECRB members want to discuss amongst themselves, as a first step of facilitating this sharing of best practices and cross-fertilisation.

4. Building blocks for a trusted network for information sharing

The Chair of the ECRB working group on information sharing (WG), presented the *Cyber Information and Intelligence Sharing Initiative (CIISI-EU)*, which constitute the building blocks for information sharing between ECRB members. The core objectives of CIISI-EU are: (1) to prevent, detect, respond and raise awareness of cybersecurity threats to ECRB members; (2) to enable relevant and actionable intelligence sharing between ECRB members, law enforcement and be potentially extendable to the wider ecosystem; (3) to encourage active contribution and

active participation within a 'trusted circle', rather than passive consumption or weak usage; and (4) to synthesise and actively propagate the sharing of strategic intelligence in addition to operational tactics, techniques and procedures (TTPs) and tactical indicators of compromise (IOCs).

The European Commission urged ECRB members to provide the working group with any use cases or concerns around information sharing, so that these could be presented to the European Data Protection Board for further discussion.

Overall, there was overwhelming support for the proposed model and work ahead, with members requesting that the work is expedited as much as possible. Overall the ECRB endorsed the working model, and the Chair of the ECRB requested that the working group move ahead as quickly as possible, allowing final decision making by the respective ECRB members at the December 2019 ECRB meeting.

5. Update from ECRB working group on Crisis Management Arrangements

The Chair of the ECRB working group on crisis management provided the ECRB members with an update of the working group.

6. Third party risk

The ECB presented the *Eurosystem Policy for the Identification and Oversight of Critical Service Providers (CSP Policy)*, which is currently being operationalised across the Eurosystem. The member representative from ESMA updated ECRB members on its own work on third party risk. ESMA informed the ECRB members of the joint advice of the European Supervisory Authorities (ESMA, EBA and EIOPA) to the European Commission, and its thoughts on the possible need for a legislative framework for third party providers and its work on outsourcing guidelines, specifically for cloud. The European Commission also informed the ECRB members of its current thinking around third party providers.

There was general agreement amongst ECRB members that third party risk remains a key risk area. The Chair of the ECRB recommended that some ECRB members draft a paper, setting out: who the different stakeholders are with regards to third party risk; what instruments could be used to enhance industry standards for third party providers and to seek appropriate assurance from them; and how the processes could be streamlined to provide the maximum assurance for the different stakeholders in the most efficient manner.

7. Ecosystem recovery and coordinated reconciliation

The ECRB member, representing TARGET Services, informed the ECRB members that the work on recovery and reconciliation would be presented to the ECRB at a later date.

8. AOB

The next meeting of the ECRB is planned for 6 December 2019.