

Press Release

The Central Bank of Kuwait lays out the cybersecurity framework for the Kuwaiti banking sector

In light of the Central Bank of Kuwait's (CBK) efforts to improve resilience of the banking sector to cyber attacks, the CBK announced the completion of the cybersecurity framework for the banking sector in the State of Kuwait.

Dr. Mohammad Y. Al-Hashel, Governor of the CBK, said that this project culminates from the continuous efforts of the Information Security Working Group, headed by the CBK, and comprises membership of Kuwaiti banks. The objective is to improve resilience of the banking sector to cyberattacks and coordination efforts.

The strategic framework consists of six integrated initiatives. The first of which establishes a mechanism for the banking sector's Information Security Working Group by defining the methodology, scope and responsibilities of team members. An emphasis is placed on confidentiality, information and data privacy and absence of conflicts of interest.

Dr. Al-Hashel also pointed out that the second initiative lays down principles for dealing with cyber risks, which include: defining governance requirements, risk management, compliance, crisis management, response and recovery, as well as collaboration and information sharing. Additionally, it includes continuous improvements and developments in the field of cybersecurity.

The third initiative sets the baseline requirements of information security controls. This initiative is among the most important stages of the project, as it provides detailed security controls that all regulated entities must comply to. It covers governance, risk management, compliance, securing infrastructure and operations, as well as dealing with third party risks and protecting electronic payment systems. All banks must comply to all baseline control requirements set forth in the initiative, through the completion of inherit risk and cyber risk self-assessment, to prove their readiness to address cybersecurity risks.

The strategic framework also develops a Cyber Crisis Management Strategy and Plan. It introduces a complete framework for managing cyber crisis. Moreover, the strategy and plan provides a holistic view of crisis management, including reports, as well as the prescribed response measures. Furthermore, this plan provides a matrix to measure the impact of potential risks.

Dr. Al-Hashel also clarified that among the initiatives included in the framework, is the development of a mechanism for dealing with, reporting and sharing of information between banks, in accordance with the highest international standards. Also, it introduces the development of a platform cyber threat intelligence sharing.

This milestone compliments CBK's "Shaping the Future" vision of the banking and financial sector in Kuwait, launched at its recent International Banking Conference. CBK recently directed banks to set an integrated strategy for the next five years, including strengthening their capabilities in cybersecurity, and thus securing the banking sector and maintaining financial stability.

The Governor concluded by thanking the Kuwaiti banks for their cooperation in developing the cybersecurity framework for the banking sector in the State of Kuwait.

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