GLOBAL FEDERATION OF INSURANCE ASSOCIATIONS

29 December 2022

GFIA response to FSB consultation on achieving greater convergence in cyber incident reporting

GFIA appreciates the opportunity to contribute to the FSB's consultation on Achieving Greater Convergence in Cyber Incident Reporting (CIR).

GFIA has outlined it views below and is happy to discuss these comments or answer any questions.

Q1. Is the emphasis on practical issues to collecting and using cyber incident information consistent with your experience? Does your institution want to provide any additional evidence for the FSB to consider from your experience?

Yes, that emphasis is consistent with the industry's experience. GFIA would ask that the FSB consider the additional strain posed by conflicting compliance requirements; specifically, where local law requires the preservation of confidentiality and for information not to be shared, but other supervisory groups request or require that information to be shared.

Q2. Can you provide examples of how some of the practical issues with collecting and using cyber incident information have been addressed at your institution?

n/a

Q3. Are there other recommendations that could help promote greater convergence in CIR?

Other recommendations to promote greater convergence in CIR could include proportionality and respect for confidentiality. Once those conditions are met, there are better opportunities for sharing information without potential unintended consequences, compliance burden or legal repercussions.

Q4. Could the recommendations be revised to more effectively address the identified challenges to achieving greater convergence in CIR?

GFIA appreciates the FSB's recognition that a one-size-fits-all approach is not feasible or preferable. The industry continues to support the recommendation to allow participation and engagement to be tailored as appropriate for the given financial authority or institution.

GFIA welcomes Recommendation 2 (Explore greater convergence of CIR frameworks) and the suggested approaches, such as implementing unified CIR to all relevant authorities or designating a lead reporting

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authority. As a general remark, any such initiative should aim to encourage best practices and refrain from establishing new requirements, such as additional information channels or multiple layers of reporting.

GFIA also recognises Recommendation 12 (Foster mutual understanding of benefits of reporting) and the suggestion that sharing findings in an aggregated and anonymised way could provide a beneficial feedback loop to financial institutions. It should also be emphasised that it is vital that incidents should be reported in an anonymised way to ensure that the reputation of the financial entities involved is not harmed.

Q5. Will the proposed revisions to the Cyber Lexicon help to encourage greater adoption of the Cyber Lexicon and promote greater convergence in CIR? Are there any other ways in which work related to CIR could help to encourage greater adoption of the Cyber Lexicon and promote greater convergence in CIR?

GFIA supports the FSB's work to encourage greater adoption of the Cyber Lexicon and is supportive of the FSB's continuing its efforts on that matter. GFIA wants to encourage as much consistency as possible with ongoing initiatives at regional level (notably at EU level) regarding the terminologies notably of "ICT-related incident", "operational or security payment related incident", "major ICT related incident", "major operational or security payment related incident", "cyber-attack" and "network and information system". GFIA maintains the position that consistency in the terminology used across different legislation and texts has the potential to promote greater convergence in CIR and, therefore, should be encouraged.

Q6. Do you agree with the definition of 'cyber incident,' which broadly includes all adverse events, whether malicious, negligent or accidental?

GFIA agrees with the broad definition of "cyber incident"; however, the definition will have to be altered in the future, given the evolving nature of cyber risk. Cyber risk encompasses the fact that certain terms may become rapidly out of date or evolve to include a different scope or definition.

Q7. Are there other terms that should be included in the Cyber Lexicon to cover CIR activities?

n/a

Q8. Are there other definitions that need to be clarified to support CIR?

n/a

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Q9. Would the FIRE concept, if developed and sufficiently adapted, usefully contribute towards greater convergence in incident reporting?

The Format for Incident Reporting Exchange (FIRE) concept, if developed and sufficiently adapted, could be a useful tool to contribute towards greater convergence in incident reporting. It is too early to tell and there is not enough information about how that concept would in practice intersect with and possibly conflict with other reporting requirements or confidentiality requirements.

GFIA fully agrees with the need for a greater convergence in cyber governance frameworks. However, this convergence needs to be met in accordance with the initiatives already existing at regional level, notably in the EU. GFIA believes that FIRE or any other initiative should aim to encourage best practices and refrain from establishing new requirements, such as additional information channels or multiple layers or reporting.

Q10. Is FIRE readily understood? If not, what additional information would be helpful?

n/a

Q11. If FIRE is pursued, what types of organisations (other than FIs) do you think would need to be involved?

Given the unique nature of financial institutions, GFIA is not certain who else should or should not be included. It is important to tailor such programs to be appropriate for the nature of the given business and industry, and, as noted in the consultation, to avoid unnecessary duplication of existing efforts towards data convergence in overlapping context.

Q12. What preconditions would be necessary to commence the development of FIRE?

It is too early to consider this question, until further exploration of the FIRE concept has commenced. At that point, organisations may be better positioned to assess what preconditions would be necessary for such an undertaking. This format should ensure complete confidentiality of the information included in the reporting. The format of FIRE should ensure complete confidentiality of the information included in the reporting.

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About GFIA

The Global Federation of Insurance Associations (GFIA), established in October 2012, represents through its 40 member associations and 1 observer association the interests of insurers and reinsurers in 67 countries. These companies account for around 89% of total insurance premiums worldwide. GFIA is incorporated in Switzerland and its secretariat is based in Brussels.