SWIFT response to the CPMI-IOSCO consultative report on “Cyber resilience of financial market infrastructures”

23 February 2016
SWIFT welcomes the CPMI-IOSCO consultative report providing additional guidance on how financial market infrastructures (FMIs) can strengthen their cyber resilience, and we appreciate the important work CPMI-IOSCO is doing to enhance the stability of the financial system. While SWIFT is not an FMI, we certainly are a critical service provider to the financial industry and we fully understand our responsibilities in helping to achieve the overall resilience of the financial system and the broader economy.

SWIFT believes that the report provides a good, comprehensive high-level framework for creating and evaluating a cyber-resilience programme. Having established a mature cyber resilience programme ourselves, and based on our interaction with many parties in the SWIFT eco-system, we understand the importance and the challenges of establishing a common language and it comes as no surprise that some of the terminology used in the consultation paper is not fully aligned with our own practices. We believe, however, that any differences in terminology can be resolved easily and do not require changes to the paper.

Regarding the points made on “learning and evolving”, we believe that the identification of “lessons learned” after each detected exposure is essential in helping any organisation to improve its stance towards cyber resilience. At SWIFT we see this as a distinct “phase” after each incident, in addition to the learning and evolving that is part of every step of the process.

We also appreciate that the guidance allows each organisation to apply the principles to its own context, unique cyber threats, and risk appetite, although the document is surprisingly prescriptive regarding the resumption (of critical operations) within two hours of disruption. Recovery from an outage within two hours may be a laudable long-term objective for any participant in the industry, and there are many scenarios from which recovery within a two hour period is feasible. However, there are also scenarios for which this recovery time objective is unrealistic, particularly in complex cyber scenarios where the detection of the problem can, on average, take 200 days, according to industry statistics. In some instances it may even be an undesirable objective, as reopening service too quickly could promulgate a cyber issue though the financial system.

We thank CPMI-IOSCO again for the opportunity to contribute to this important dialogue.

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