EXECUTIVE SUMMARY

Strengthening Information Security in the Business Sector

In order to promote outsourcing and investment in more sophisticated services in ASEAN and East Asia, a secure business environment should be developed within the region. This means that each country in the region must understand the necessity for information security measures, and that they should be implemented.

From last year, this working group (hereinafter referred to as the "WG") has worked to develop a common information security management benchmark (Common ISM Benchmark) as a self-check tool for organizations, so that users can compare their security level with others.

Last year, we analyzed how the establishment of information security would affect economy or enterprise management in ASEAN and East Asia, and studied the role that the Common ISM Benchmark could play in the region, through a survey on the trial use of the existing benchmark, *Information Security Management Benchmark (ISM Benchmark)*.¹

According to the results of the survey, the majority of companies viewed the ISM Benchmark as an effective tool in evaluating the information security level of an enterprise and we obtained a generally positive result toward the development of the Common ISM Benchmark. However, we found several issues to be resolved.

Based on last year's research, this year's WG aimed to clarify the following items

¹ Information-technology Promotion Agency IT Security Center, Japan http://www.ipa.go.jp/security/english/benchmark_system.html

required for practical development of the Common ISM Benchmark through specific surveys and study by each member of the WG.

- · Concept and value of the Common ISM Benchmark
- Positioning of the Common ISM Benchmark
- · Balance between development in common and localized development
- Framework for, and challenges in implementation

Two surveys (one for Japanese companies and another for companies in other member countries) on the information security environment, and issues in trade and investment, conducted by the Ministry of Economy, Trade and Industry as a contribution from Japan, showed somewhat similar trends. This indicates that, due to the rapid wave of globalization, the differences in industrial structures between Japan and other countries are negligible, or else that the difference is quickly disappearing.

This fact also provides a positive premise for formulating the Common ISM Benchmark. In ASEAN and East Asia, companies are not classified or boxed into the roles of either the outsourcer or the side receiving the order, and the relationship is strengthened into a more equal business partnership. This shows the increasing importance of a mutual and shared means for risk communication² regarding information security. We feel that the Common ISM Benchmark will be valued as a tool in these types of communication.

Additionally, we analyzed the current ISM benchmark in comparison with ISO/IEC 27002^3 in five areas—coverage, focus, depth, quality, and assurance—to better

 $^{^{2}}$ A process to exchange or share information about risk between the decision-maker and other stakeholders. (ISO/IEC Guide 73)

³ An information security standard published by the International Organization for Standardization (ISO) and by the International Electrotechnical Commission (IEC), entitled "Information technology - Security techniques - Code of practice for information security management".

understand its relationship with existing international standards. We also evaluated possible frameworks, plans, and challenges for standardization of the Common ISM Benchmark.

We deliberated what should be selected as common questions used by all countries and what should be classified as questions localized by each country in the Common ISM Benchmark. Based on these studies, we discussed the common questions of the Common ISM Benchmark. For the selection of the common questions, we used the questions from the existing benchmarks of Information-Technology Promotion Agency, Japan (IPA) and Korea Internet & Security Agency (KISA⁴) as a basis, and the WG members discussed which items should be included as common questions. As a result, 27 common questions were selected. The actual common questions are shown in II. 3.2.2.

It is important not only to determine the common questions of the Common ISM Benchmark but also to bring to light challenges in implementing the Common ISM Benchmark in ASEAN and East Asian countries. We reviewed issues raised by all countries and challenges specific to the respective countries (South Korea, Vietnam, and Malaysia) as shown in II. 3.3. The issues which were shared by all countries and brought under review included the following; the importance of reliability of the operator of the Common ISM Benchmark system, handling of confidential information obtained through operation of the Common ISM Benchmark system, difficulties in achieving widespread adoption of the system, and measures for ensuring actual improvement in the information security management level without causing the benchmark to become a mere diagnostic tool.

⁴ Formerly Korea Information Security Agency.

Finally, the WG issued the following policy recommendation:

Policy Recommendations

The Working Group,

Emphasizing the importance of information security management in deepening economic integration within ASEAN and East Asia through its contribution to the increase of investment, outsourcing and other economic activities,

Reiterating that a common Information Security Management Benchmark (Common ISM Benchmark) can help to improve information security management, and risk communication within ASEAN and East Asia,

Encouraging the economies of ASEAN and East Asia to take further steps to build a more secure, reliable, and efficient business environment, including providing incentives to organizations to implement information security management measures,

Recommends to the economies of ASEAN and East Asia, especially to organizations responsible for establishing business environments within their economies, the following:

1. To encourage the use of the Common ISM Benchmark, which was reviewed and updated by the ERIA working group, as a means for small and medium businesses to assess and recognize their level of information security management within the region,

2. To share between economies, as discussed in this report, statistical data and other information gathered from the use of the Common ISM Benchmark so as to increase recognition among users of the Common ISM Benchmark; and

3. To discuss issues regarding the Common ISM Benchmark at appropriate venues, so that the Common ISM Benchmark will maintain and improve its utility as a means of enhancing information security in ASEAN and East Asia.