

I. Introduction

1. Background and Purpose

The economy in ASEAN and East Asia has rapidly developed and been sustained by an increase in direct investment in the region and expansion of Economic Partnership Agreements (EPA). As a qualitative shift, the economy in the region has been moving toward a knowledge-based economy with the growth of high value-added industries.

These changes in the economy resulted from individual enterprise activities, while affecting those very same activities. Seen from the viewpoint of enterprise activities, the generalization of outsourcing, progress of cross-border technology transfer, the progress of knowledge transfer, and the construction of a global supply chain support these changes and developments.

Consolidating the development of Asia requires constructing a more advanced cross-border common infrastructure suitable for a knowledge-based economy and appropriate for an era with a knowledge-based economy. As part of this effort, it is important to invest in enterprise information security and to ensure the industrial policies of the region.

In order to promote further business outsourcing and foreign direct investment in ASEAN and East Asia, a secure business environment needs to be created. For that purpose, it is essential to motivate each company to understand the importance of information security measures and to take action.

For each company, it is often difficult to fully grasp the level of information security that they should achieve. In Japan, in order to establish and promote the idea of information security governance, the *Information Security Management Benchmark*

(ISM Benchmark) was developed as a self-check tool for organizations with which users can compare their security level with others. Four years have passed since this benchmark was released, and many organizations have used it.

From last year, the WG has worked to develop a common information security management benchmark (Common ISM Benchmark), also considering the original situation of each country. Through the promotion of the Common ISM Benchmark, we aim to strengthen the information security measures of businesses in ASEAN and East Asia.

2. Results of Last Year's Research

From the viewpoint of improving information security in ASEAN and East Asia, the WG last year held deliberations mainly for the following two purposes:

- Promote further business outsourcing and foreign direct investment in ASEAN and East Asia
- Motivate each company to understand the importance of information security measures and take action

In the deliberations of the WG last year, first, we analyzed how the establishment of information security would affect the economy or enterprise management in ASEAN and East Asia and studied the possible role of the common information security management (ISM) Benchmark in the region. For this purpose, we pointed out that coordinated risk management is required in order to develop closer collaboration in the region and to promote foreign direct investment (FDI). We showed that the establishment of information security management in the value chain was an essential element of this risk management. We also showed that the Common ISM Benchmark could support information security management in the value chain by providing a common method for companies to easily evaluate their information security levels in comparison with one another.

We then studied the conditions and challenges to enterprise information security measures in the region. In addition, we conducted a survey on the trial use of the ISM Benchmark in order to consider the needs and requirements for the Common ISM Benchmark. Specifically, we asked several companies to use the ISM Benchmark and analyzed the results. We received answers from 48 companies in total in related countries (six countries, excluding Japan).

Through trial use, the majority of the companies approved the ISM Benchmark as an effective tool in evaluating the enterprise information security level and we obtained a generally positive result for the development of the Common ISM Benchmark. Meanwhile, we found that it was difficult to cover all cases with the ISM Benchmark alone.

Finally, after we considered our vision and goals based on these results, the WG came to the following conclusion:

Our Vision:

A Common ISM Benchmark contributes to industries and governments by building and promoting a trustworthy economic partnership that encourages more foreign direct investment (FDI) and business outsourcing in the Asian region⁵.

Goals:

- The Common ISM Benchmark provides acceptable and comparable indicators of the information security management level of organizations.
- As a comprehensive risk communication tool, the Common ISM Benchmark enables organizations to improve their sense of information security through visualization of the risks.

⁵ From this year, the term “Asian region“ is replaced by “ASEAN and East Asia” in the WG.

3. Target of This Year's Research

In order to achieve the vision and goals of last year's WG, this year's WG held deliberations with the aim of determining the following items:

- Concept and value of the Common Information Security Management (ISM) Benchmark
- Positioning of the Common ISM Benchmark
- Part to be developed in common and the part to be localized
- Framework and challenges for implementation

In the following chapters, we will present the results of the deliberations on the topics above held by this year's WG.

4. Overview of This Year's Research

This year's WG held two workshops, researched the situation in each country, and held deliberations on individual issues by each member in order to conduct a study for the adoption and diffusion of the Common Information Security Management (ISM) Benchmark under consideration from the previous year in ASEAN and East Asia.

First, we researched the status of companies anticipated to be possible users of the Common ISM Benchmark by two surveys in Japan and other member countries as a continuation of studies conducted the previous year. Both surveys were conducted as a commissioned project from the Ministry of Economy, Trade and Industry in Japan but were conducted in close cooperation with the WG. The overviews of the surveys are shown below. For the results of each survey, refer to II. 1.1. and 1.2.

Overviews of the survey

<p>Survey method (Target country and survey period)</p>	<ul style="list-style-type: none"> ▪ Questionnaire survey (Japan, Dec. 2009 thru Jan. 2010) ▪ Interview survey (Thailand, Singapore, Malaysia, South Korea, Vietnam, and China, Feb. 2010)
<p>Main research items</p>	<ul style="list-style-type: none"> ▪ Impact of information security environment of overseas trade clients and overseas investment destinations on intention to trade and the motivation to invest ▪ Items to value as information security measures of overseas trade clients and overseas investment destinations ▪ Measures to improve the information security environment of overseas trade clients and overseas investment destinations

Next, in order to understand the issues regarding the diffusion of the Common ISM Benchmark in ASEAN and East Asia, each member studied individual issues (positioning as a standard, separation of common parts and parts to be localized, methods for actual use in each country and related issues). Refer to II. 2. and 3. for the results of the studies.

Finally, we held deliberations regarding the common questions, which are the core of the Common ISM Benchmark. In the deliberations, based on a mapping sheet created using existing benchmarks in Japan and South Korea, and discussions with all members, the 27 common questions were determined. Refer to II. 3.2 for the common questions.

Record of workshops

	Date	Place	Agenda
1st	January 5, 2010	Tokyo	<ul style="list-style-type: none"> ▪ Interim report on “Survey on Overseas Investment Intention and Information Security in Japan” ▪ Discussion on methods for determining the common questions of the Common ISM Benchmark
2nd	February 22-23, 2010	Tokyo	<ul style="list-style-type: none"> ▪ Report on “Survey on Overseas Investment Intention and Information Security in ASEAN and East Asia” ▪ Presentations by members regarding issues to be considered in spreading the use of the Common ISM Benchmark ▪ Selection of the common questions for the Common ISM Benchmark