the lack of available data on cyber incidents and a lack of awareness by the public — both companies and individuals — of the importance of cyber security.

Barriers to the development of the cyber insurance market

Lack of available data on cyber incidents

Lack of awareness of the importance of cyber security

With the data-breach and cyber-incident reporting requirements in the EU's soon-to-be-enforced General Data Protection Regulation and Network Information Security Directive, information will be collected by national authorities that could greatly help insurers better understand and quantify cyber risks. Sharing this data with insurers could therefore be a very positive step in the right direction.

As for the second barrier, the insurance sector and its national insurance associations are involved in a variety of activities to raise awareness of the importance of taking adequate cybersecurity measures, especially among SMEs. The associations work with governments to support the dissemination of information on cyber threats and implement strategies that raise awareness and support loss prevention and mitigation.

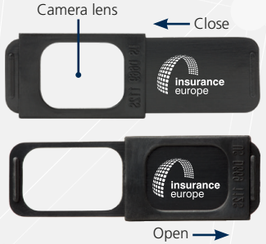
Action at EU level is also welcome, such as the September 2017 Cybersecurity Strategy, which encourages member states to raise awareness among businesses and individuals.

Guard your privacy

Hackers can watch or record you via your webcam without your consent. You can protect your privacy by installing this webcam cover. The cover is designed to open and close without harming the camera lens.

Simple to install

- Remove double-sided tape tabs
- Position base cover over the camera and press firmly
- Once installed, simply slide left to open and right to close



insurance europe

Insurers' role in increasing cyber resilience

Insurers' role in increasing cyber resilience

Our economy and society are hugely dependent on technological processes. We are more interconnected than we have ever been: the internet of things, connected cars, cloud computing, telematics …

Although this increased digitalisation has obvious benefits to society, it also brings a number of risks. The potential for serious economic and commercial repercussions, illustrated by recent attacks such as that by the WannaCry ransomware, means that investing in increasing the cyber resilience of businesses and society is vital.

WannaCry ransomware attack

300 000 infected machines

Estimated global financial and economic losses

Insurers have a key role to play here, not only in providing cover, but also in helping their clients prevent these risks and mitigate their impact when they materialise. Insurers have a unique perspective that goes beyond their experience of cyber risks thanks to their many years of insuring natural catastrophe and terrorism risks, which can be similarly large and multifaceted events.

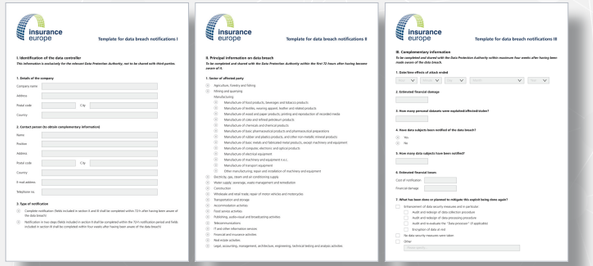
Although the European cyber insurance market is still relatively small, steps are being taken to tackle some of the barriers to being able to offer more cyber insurance products. These include

GDPR notification template

To facilitate the development of the EU cyber-insurance market, insurers should have access to anonymised data collected under the EU's General Data Protection Regulation (GDPR) and Network Information Security Directive.

Insurance Europe has developed a template for breach notifications under the GDPR. The template is easy to use and allows the information to be compared across sectors. The data gathered would be anonymised but sufficiently granular to be of use to insurers.

Insurance Europe would like the Article 29 Working Party to use it as inspiration for its work on guidelines for data breach notification templates.



National insurance association initiatives

Beyond their core role of risk transfer, insurers are also active in prevention, awareness-raising and mitigating the effects of cyber attacks. Here are just some examples of initiatives by national insurance associations to increase cyber resilience.

Prevention and awareness-raising

Austria In spring 2017, the WKÖ (Austrian Federal Chamber of Commerce), together with several Austrian insurance companies, organised a roadshow in all nine Austrian provinces to raise SME awareness of cyber security and cyber insurance.

France In May 2017, the French insurance association (FFA) published a brochure that provides tips and information for SMEs on anticipating and minimising the impact of cyber risks.

Germany VdS, an independent technical standard-setting and certification body of the German insurance association (GDV), has published cyber-security guidelines for SMEs. The free guidelines enable SMEs to audit their own cyber resilience. The VdS also offers a follow-up cyber-security audit for SMEs and cyber-security training courses.

Netherlands In 2015, the Dutch Association of Insurers (VVN) co-funded a campaign with the Dutch Ministry of Security and Justice and MKB-Nederland (Dutch SME association) to raise SMEs' awareness of the potential impact of cyber crime on their businesses. The project consisted of five roadshows in different regions, at which SMEs received information about cyber crime. Entrepreneurs were also offered a free ethical hack to provide them with an insight into their vulnerabilities and the measures they can take to improve their cyber security.

Spain Publication of a self-assessment questionnaire, developed by Cepreven (an independent technical standard-setting and certification body attached to the Spanish insurance association, UNESPA), for SMEs to use to ascertain the security level of their business information and raise their awareness of cyber-security risks.

UK In May 2016, the Association of British Insurers (ABI) published a guide for SMEs "Making sense of cyber insurance: A guide for SMEs" to explain what cyber insurance is and how it works.

Public-private partnerships

Austria The Austrian Insurance Association (VVO) has been working with experts from the Austrian Road Safety Board (Kuratorium für Verkehrssicherheit (KfV)) to map cyber crime in Austria. The research was published in March 2017. The VVO and the KfV have also made recommendations on measures individuals can take to protect themselves against cyber attacks.

Belgium Assuralia, the Belgian insurance association, is a member of the Cyber Security Coalition. The coalition aims to fight cyber crime and has over 50 members from academia, public authorities and the private sector.

France The FFA is part of GIP-ACYMA, a public-private partnership led by ANSSI (the French national agency for the security of information systems) and the Ministry of the Interior. The aim of the partnership is to create a national system of assistance for cyber-attack victims. ACYMA targets individuals, companies and local authorities by linking victims of cyber attacks with local providers via a digital platform; launching prevention and awareness campaigns on digital security; and creating a digital risk monitoring centre.

Netherlands "Alert Online" is an annual awareness campaign by stakeholders from the public, academic and private sectors to make the Netherlands safer online. The Dutch Association of Insurers is a partner in the campaign. From 2–13 October 2017 over 170 stakeholders promoted cyber-secure behaviour among Dutch consumers, the national and regional governments, companies (including SMEs), institutions and NGOs.

Sweden A cooperation between the public and private sectors (including insurers) and led by the Bank of Sweden is developing scenarios for cyber incidents to increase the resilience of the financial sector.

Switzerland The Swiss Insurance Association (SIA) is part of the Swiss National Cyber Strategy (NCS2) to which it brings insurance-related topics. NCS2 is carrying out a survey to determine the willingness of the SME sector in Switzerland to support minimum cyber-security standards and the exchange of data.

UK Insurance representatives, including the ABI, Lloyd's, the International Underwriting Association and the British Insurance Brokers' Association, regularly meet government officials through the Cyber Risk Insurance Forum (CRIF) to discuss challenges facing cyber insurance. The CRIF is also dedicated to raising cyber-security awareness and developing best practice guidelines.

For more information about cyber insurance, the data breach notification template and more national insurance association examples see the Insurance Europe website: www.insuranceeurope.eu/cyber-insurance