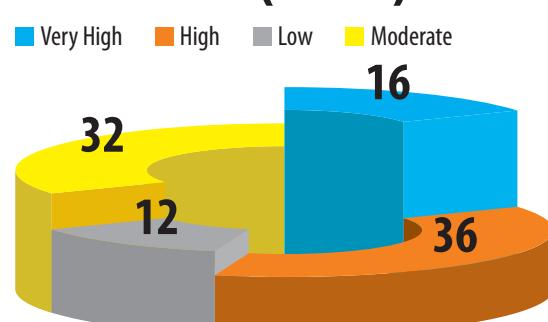
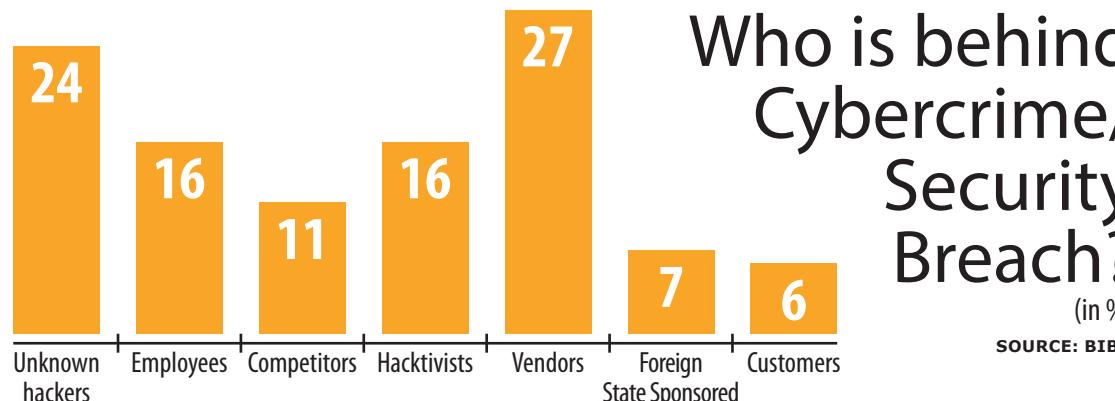
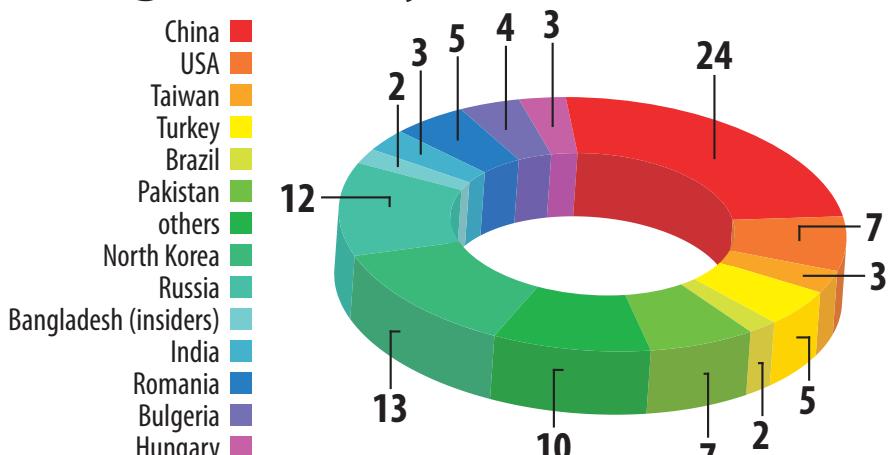




Cyber Security Risk of Banks (in %)



Origins of Cyber Attacks (in %)



SOURCE: BIBM

Over half of banks at high risk of cyber-attacks: BIBM

STAR BUSINESS REPORT

A high risk of cyber-attacks looms large over 36 per cent of banks in Bangladesh mainly due to a shortage of investment in strengthening security measures, skilled personnel and a lack of awareness among bankers and customers.

In addition, another 16 per cent of banks are in a very high risk condition, an indication of the fragile cybersecurity scenario in Bangladesh's banking sector, according to research carried out by the Bangladesh Institute of Bank Management (BIBM).

Md Mahabubur Rahman Alam, an associate professor of the BIBM, presented the findings at a cybersecurity summit organised by the Association of Bankers Bangladesh (ABB) at the Pan Pacific Sonargaon hotel in Dhaka.

Only 12 per cent and 4 per cent of banks are now in low and very low-risk zones, respectively.

The BIBM carried out the research based on the situation of the banking sector as of 2020.

Although the banking sector has observed a "dreadful growth" in IT infrastructures,

there has been a lack of security measures to protect banks from cyber attacks.

Alam said banks had invested Tk 42,609 crore to build IT infrastructures and run the system till 2020.

The number of employees in the banking sector stood at 1.94 lakh in 2020, of which 5,875 were deployed to run their IT infrastructures.

"The top local educational institutions such as Dhaka University and Bangladesh University of Engineering and Technology are unable to produce the experts what we need," Alam said.

For the lack of IT experts in the banking sector, the majority of lenders are trying to recruit people offering high salaries, but they are failing to fulfil their demands, he said.

When faced with IT-related problems or loopholes, all lenders usually make a mad dash for a solution, he said.

But this should not be the practice for banks, he said, suggesting lenders take up long-term initiatives to strengthen their IT operations.

"Banks should take a long-term initiative by spending at least 4 to 5 years to establish a sound and secure IT platform," he said.

Only 18 banks out of 61 have so far built security operations centres (SOC) to monitor, prevent, detect, investigate and respond to cyber threats.

Bangladeshi banks face the highest number of cyber-attacks from China, which is 24 per cent, followed by 13 per cent from North Korea, and 7 per

28 per cent in a "very poor" condition and 22 per cent in "poor".

Only 4 per cent of bankers have excellent knowledge on the issue.

Alam proposed establishing a "Bangladesh Institute of Electronic-Banking Research and Development" to bolster

banks' IT infrastructure, which is why lenders have to invest a lot in cyber security."

Integrated cyber security has emerged as a part and parcel of everyday banking operations, Kabir said.

He also touched upon the ongoing volatility in the country's foreign exchange market.

He claimed that Bangladesh's foreign exchange reserves were still in a comfort zone.

The reserves stood at \$41.7 billion last week, which is good enough to settle import bills for more than five and a half months.

Selim RF Hussain, chairman of the ABB, said cybercrimes in the financial sector had risen globally in the last few years.

Cyber-attacks against financial institutions rose by 238 per cent between February and April of 2020, and globally, one out of four banks had experienced at least one security breach.

In addition, attacks against the banking and financial services industry accounted for 11 per cent of all reported incidents, compared to 7 per cent in other industries.

In 2021, the average number

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cent from the United States and Pakistan, respectively.

IT vendors, meaning entities and persons who supply software and hardware and set up those in banks, have largely been found to be responsible for cybercrimes.

Of all security breaches in banks, 27 per cent are committed by these vendors, 24 per cent by unknown hackers and 16 per cent by both bankers and hacktivists, respectively.

There is also little IT security awareness among bankers, with

the IT sector in banks.

Banks are gradually shifting towards online and digital banking to keep up with changing demands, said Bangladesh Bank Governor Fazle Kabir, who inaugurated the two-day summit titled "Building Cyber Resilience for Banks".

There are risks and challenges in using technology that enables banks to do digital banking, he said.

"There are organised

fraudsters who try to break into

US, EU divided over LDC trade benefit extension 12th Ministerial Conference of WTO begins

REFAYET ULLAH MIRDHA, from Geneva

Two major economic powers of the world, the US and the European Union, are divided on continuation of trade facilities meant for the least-developed countries (LDCs) once they make the United Nations status graduation to become developing countries.

The matter surfaced at the ongoing 12th Ministerial Conference (MC12) of the World Trade Organisation (WTO) in Geneva of Switzerland. Bangladesh, along with other LDCs, is negotiating with the WTO and developed and



developing countries for the extension, initially seeking 12 years and later either nine or six years.

The LDCs headed by the Central African country Chad submitted a petition to the WTO in October 2020 demanding the extension. But owing to the US opposition, it will be difficult to reach a positive conclusion, said the negotiators.

Tapan Kanti Ghosh, senior secretary of the commerce ministry of Bangladesh, held a media briefing after the first day's meeting of the ministers and representatives from the LDCs.

He said the EU has taken a soft stance in favour of the extension but the US was opposing.

However, all the LDCs in their forum meeting demanded the extension by at least six to nine years, reasoning difficulties faced for the pandemic and the subsequent Russia-Ukraine war.

"We have just started our negotiation and I am hopeful that we will be able to reach a good conclusion over the issue of trade facilities extension," Ghosh said.

Commerce Minister of Bangladesh Tipu Munshi urged the global leaders and the WTO not to put any ban on the export of food items

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Telcos fined Tk 7.65cr for illegal VoIP

MAHMUDUL HASAN

The telecom regulator has recently fined four mobile network operators Tk 7.65 crore as their SIMs were found with equipment confiscated for the use of illegal Voice over Internet Protocol (VoIP).

The Bangladesh Telecommunication Regulatory Commission (BTRC) fined state-run Teletalk Tk 5 crore, Robi Axiatia Tk 2 crore, Grameenphone Tk 50 lakh, and Banglalink Tk 15 lakh.

The commission sent letters to the operators on June 7 and asked them to clear the penalty by June 30.

According to the sources at the BTRC, the law enforcement agencies during raids in collaboration with the telecom regulator seized 52,344 SIM cards of different operators along with VoIP equipment from different parts of Bangladesh in 2018 and 2019.

Initially, the amount of the fine was Tk 26.6 crore.

Later, the commission conducted hearings in April this year and slashed the amount after revisions based on the operators' application.

According to a BTRC official, the commission instructed the operators to take necessary measures so that no SIM is found involved in illegal VoIP activities.

For the presence of mobile connections with the



Rice being sold from a truck of the Directorate General of Food in the capital's Palashi intersection on Saturday under an Open Market Sale programme offering subsidised rates. Under the package, five kilogrammes of rice and three kilogrammes of flour must be bought together, with each kilogramme costing Tk 30 and Tk 23 respectively.

Govt cuts food budget

SOHEL PARVEZ

The government has cut its target on food distribution, which supports poor and low-income people, by 5 per cent to 30.95 lakh tonnes in the next fiscal year from the revised budget of 2021-22, finance ministry documents showed.

Analysts were, however, critical of the reduction in the food distribution plan at a time when the food security of poor and vulnerable people is under threat in the face of high prices of the staple grain rice and a number of essential commodities for the war in Ukraine and erratic supply in the market.

During the current fiscal year, the food directorate distributed 28.86 lakh tonnes of rice and wheat through various programmes, including open market sales and the food-friendly programme, and the vulnerable group development scheme, from July 1, 2021, to June 2022, according to the food ministry data.

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