



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

Pursuant to Article 47 paragraph 1 item 6 of the Law on National Bank of the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" No. 158/10, 123/12 and 43/14), Article 68 paragraph 1 item 5 and Article 172 paragraph 2 of the Banking Law ("Official Gazette of the Republic of Macedonia" No. 67/07, 90/09, 67/10, 26/13 and 15/15), the National Bank of the Republic of Macedonia Council adopted the following

DECISION **on information security of savings houses** **("Official Gazette of the Republic of Macedonia" No. 74/15)**

I. GENERAL PROVISIONS

1. This Decision shall set forth the methodology for security of savings house's information system which establishes standards for information system security, by defining criteria for establishing information security management process and ensuring business continuity.

2. The terms used in this Decision shall denote the following:

2.1. **IT risk** shall be the risk of loss for the savings house arising from losing, unauthorized utilization, or unavailability of information, information assets and/or services it provides.

2.2. **Security of the savings house's information system** shall be defined as fulfillment of the following criteria:

- Confidentiality: information system is accessible only to authorized users;
- Integrity: safeguarding of accuracy and completeness of the information system;
- Availability: unrestricted access to the information system for authorized users.

2.3. **Severe business continuity** shall denote any inability of savings house to meet its business obligations for reasons beyond its control, or when savings house is physically unavailable or its telecommunications fail, i.e. when information and information systems that support critical operations of the savings house are not available.

2.4. **Security incident** shall be any contingent event that may impair or jeopardize safety and functionality of the information systems that support savings house's business processes.

2.5. **Risk assessment** shall be establishment of a continuous process that includes:

- identification and classification of resources of the information system of the savings house;

- analysis of the likelihood for threats and weaknesses of the information system and identification of potential consequences;
- assigning priority to risks depending on the size of any loss for the savings house.

The savings house shall make a report on the risk assessment referred to in subitem 2.5. This report shall be updated in case of significant changes to the information system.

II. INFORMATION SYSTEM SECURITY MANAGEMENT PROCESS

3. For the purpose of IT risk management, the savings house shall establish an information system security management process compatible with the nature, scope and complexity of its financial operations.

The information system security management process of paragraph 1 of this item shall encompass:

- risk assessment,
- information system security policy,
- implementation of security controls,
- security testing,
- monitoring and upgrading.

4. The savings house shall adopt and implement Information System Security Policy, defining the foundations of the IT risk management process.

The policy under paragraph 1 of this item shall contain at least the following elements:

- risk management strategy by establishing an action plan for ensuring information system security,
- annual plan for employee training concerning proper utilization of services available through the savings house's information system,
- management of security incidents and establishment of suitable mechanism for their identification, reporting and efficient elimination of any threat to the information system security,
- defining of the role of the IT officer referred to in item 8 of this Decision and internal operating procedures, in line with the adopted information technology and information security management regulations,
- defining of the role of both internal and external audit from the aspect of ensuring information system security and its testing,
- system for managing end user access that includes process of recording, identifying, monitoring of user access rights, particularly of administrator and remote access to information system resources,
- defining of the method of managing modifications to the information system and security upgrades,
- defining of the method of establishing business continuity plan referred to in item 10 of this Decision,
- manner of establishing anti-virus protection,
- defining of the method of telecommunication and ensuring protection of transferable data,

- defining of security zones to restrict any physical access to information and information resources,
- defining of the manner of establishing additional security mechanisms, such as fire prevention, flood prevention, monitoring, sensors and alarms
- data protection as defined in the regulations in the Republic of Macedonia, and
- defining of the manner of using services from software and hardware outsourcing companies and monitoring of their quality.

For the purpose of efficient application of the policy, i.e. policy elements defined in paragraph 2 of this item, the savings house shall establish appropriate procedures.

5. The policy under item 4 of this Decision shall contain description of the administrative, technical and physical security controls and the manner of their application in the savings house.

The security controls under paragraph 1 of this item shall be compatible with the size and the complexness of the savings house, as well as with the type of its financial activities.

6. The savings house shall establish a process of professional, independent and impartial testing of efficiency and suitability of the implemented security controls defined in the policy under item 4 of this Decision.

7. The savings house shall define criteria, manner and procedure of notifying management boards, on information about information system operations and security.

8. The savings house shall assign IT officer and define their business responsibilities and scope.

9. The savings house shall establish security incident management process to ensure timely and efficient response in case of disturbing the security and operational ability of the information system.

In case of highest security incident, the savings house shall notify the National Bank on such incident, its effect and undertaken activities.

The savings house shall submit the notification referred to in paragraph 2 of this item to the National Bank within 3 (three) days from the date of the security incident.

III. BUSINESS CONTINUITY PLAN

10. The savings house shall develop and apply its own business continuity plan, which will be based on several scenarios and will enable functionality and minimization of the losses in case of long term business process disruption.

The plan under paragraph 1 of this item shall contain at least the following elements:

- identification of critical operations, including those depending on outsourcing companies,
- identification of alternative mechanisms for business continuity in case of failure of the primary mechanisms,
- identification of possibility of recovery of data necessary for business continuity,
- identification of a remote location for critical business operations and backup of data. The location shall be at proper distance from the primary location, in order to minimize risk of simultaneous unavailability of both locations.

For efficient implementation of the plan under paragraph 1 of this item, the savings house shall establish procedures for proper implementation of the elements defined under paragraph 2 of this item.

11. The savings house shall periodically test and update the plan under item 10 of this Decision.

IV. CLOSING PROVISIONS

12. This Decision shall enter into force on the eighth day from the date of its publication in the Official Gazette of the Republic of Macedonia, and shall apply from 1 January 2016. Section III shall apply from 1 January 2017.

D. No. 02-15/IV - 4/2015
30 April 2015
Skopje

Dimitar Bogov
Governor

and Chairman
of the Council of the National Bank
of the Republic of Macedonia