COMMON TRENDS IN BLOCKCHAIN AND CYBERSECURITY

MS. WENDY DELMAR
CARIBBEAN ASSOCIATION OF BANKS

WHAT IS CAB?

CARIBBEAN ASSOCIATION OF BANKS
Keeping the Industry Proactive, Protective and Profitable

OVERVIEW

The **Caribbean Association of Banks Inc.** was established in 1974 as a representative body for the regional financial services sector.

Our vision is to be the collective voice that protects, promotes and strengthens the regional banking sector.

Member institutions: **80+.**

Members' total asset base: **US$41 Billion+** *(December 2019).*

Honorary Members: **Caribbean Development Bank, Caribbean Community, Caribbean Centre for Money and Finance, Eastern Caribbean Central Bank.**

Where members are: **20 territories, from the Bahamas to Suriname.**

Regions where members are located: **The Caribbean, South America, Central America, Canada, U.S.A., U.K.**

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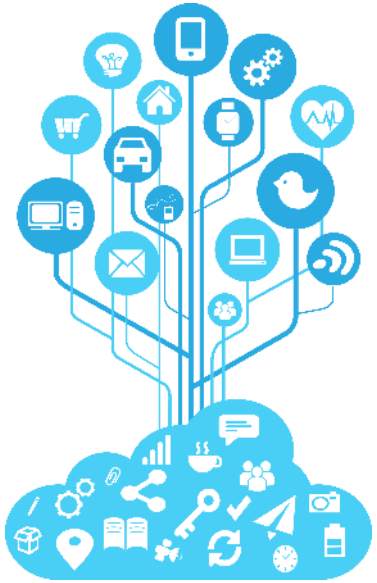
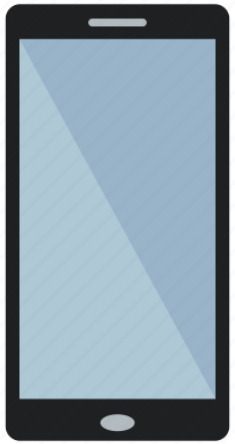
CONVERGENCE: BANKING & TELECOMMUNICATIONS

TECHNOLOGICAL REVOLUTION

1980’s



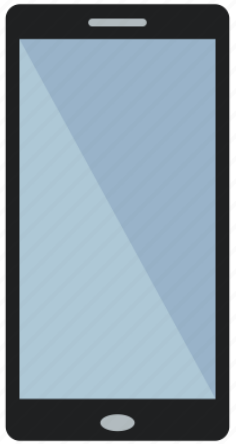
1990’s



2000’s

2020

FINANCIAL SERVICES EVOLUTION



CHALLENGES

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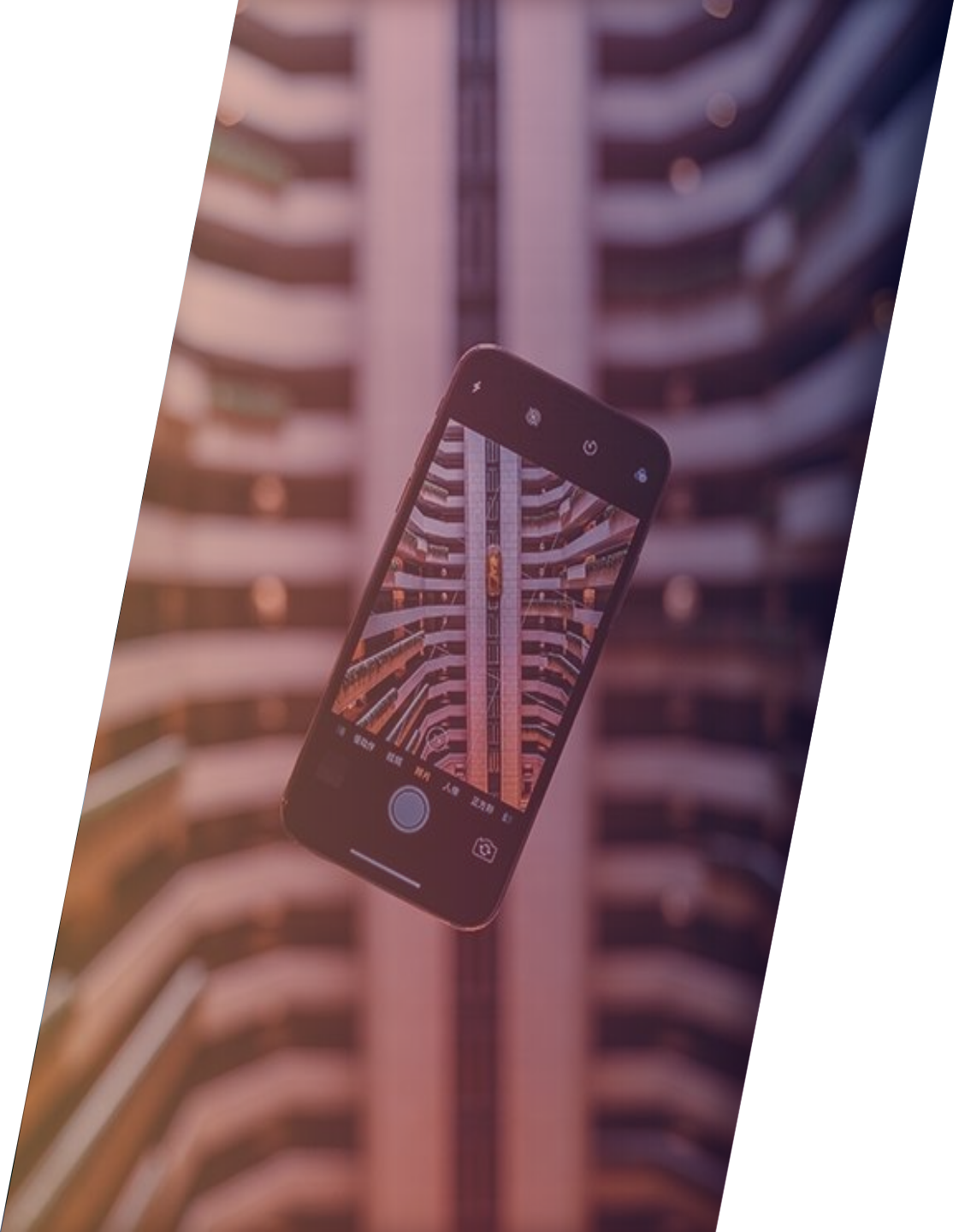
- Declining ARPU
- Slow Adoption of New Technologies
- Institutional Readiness
- Legislative / Regulatory Environment
- Cost of Transition
- Security



OPPORTUNITIES

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- Bank-Telco Collaboration
- Mobile Payments
- Digital Currency
- Boost in Remittances
- Privacy
- AML, KYC, Audit & Cybersecurity

A RECOGNISED NEED

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- Security is key in our current environment
- AML / De-Risking / Loss Of CBR
- 63% of Caribbean banks did KYC training *
- 43% want EDD training
- 32% want further KYC training

** CAB Training Needs Survey 2019*

WHY BLOCKCHAIN?

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- Decentralised
- Trustless
- Immutable
- Network Consensus
- Resilient
- Speed & Convenience

ADOPTION & IMPLEMENTATION

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- Over 500 businesses use IBM Blockchain Platform
- Risk management, fraud protection, reporting, etc
- Santander among 200 banks enabled by Ripple
- Santander launched One Pay FX
- Barclays owns patent on KYC blockchain tech
- JP Morgan Blockchain Centre of Excellence
- European banks collaborating on use cases

THE CARIBBEAN SITUATION

- **41%** - 2 layers between cybersecurity and CEO
- **72%** - BOD briefed on cybersecurity
- **82%** - Need more cybersecurity resources
- **49%** - Not implementing Emerging Tech
- **92%** - Reported a digital security incidents
- **37%** - Reported a successful attack
- **US$809m** - Cost of response and recovery

THE FUTURE

- How do we respond?
- Cost implications / scope of operations
- Global problem, global solutions
- Audit function, not IT
- Customercentric solutions
- Change is HERE!

THANK YOU

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