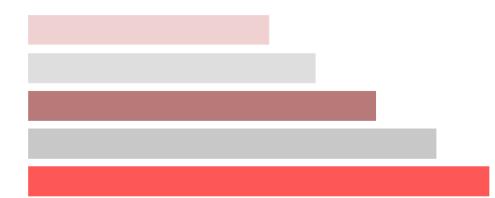


# **Environmental Scanning**

### **Economic Crime Directorate**

## **External Issue**

27.06.2016



#### **Purpose and Objective**

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EU Referendum Results – 51.9% Vote To Leave	Brexit Implications on National Cyber Security Are Unknown
The UK has voted to leave the European Union after 43 years in a historic referendum. 51.9% voted in favour of leaving the EU. Article 50, the official declaration that a member state wishes to leave the Union, is yet to be triggered.	Cyber security experts are undecided on the implications Brexit may have on national cyber security. Some experts say that Brexit will have little effect, others stating the opposite. The articles below outline the two sides of the argument.
Linked articles	Linked articles
The Economist	Infosecurity Magazine - Cybersecurity still in good hands Infosecurity Magazine - Brexit Cybersecurity Ramifications Could be Significant

SOCIOLOGICAL/CRIME	Return to Contents
30% Of Councils Suffered At Least One Ransomware Attack In 2015	Data Breaches Cost An Average of \$4 million
According to a recent Freedom of Information request, 30% of UK councils were hit by ransomware in 2015. One council reported suffering 13 separate attacks. 65% of the councils affected said they did not pay a ransom, while 35% did not confirm if they did or didn't.	Data breaches now cost an average of \$4 million according to research from IBM and the Ponemon Institute. This is an increase of 29% since 2013. 59% of the cost is associated with cleaning up the incident, such as incident forensics, communications, legal expenditures and regulatory mandates.
Linked articles	Businesses now lose on average \$158 (£112, $\in$ 141) for every record that is compromised.
SC Magazine UK	
	Linked articles
	Infosecurity
LinkedIn Used by Fraudsters to Harvest Data for Phishing Attacks	
Infosecurity Magazine reports that fraudsters are increasingly looking to sites like LinkedIn to harvest information on employees and their roles within a company, which they can then use to make spear phishing attack.	
The security firm, Intel Security, has identified through a poll that over one in five individuals had allowed a stranger to access their details by accepting a connection request. The research also identified that (68.7% admitted they had never questioned whether someone was being honest with their identity on the networking site.	
Linked articles	
Infosecurity Magazine	

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Ransomware Provides Live Chat Support To Victims	FLocker Malware Spreads To Smart TVs
The new version of the Jigsaw ransomware provides victims with the opportunity to be guided through the ransom paying process by live chat operators.	The FLocker malware, first identified on mobile phones in 2015, has migrated to smart TVs. Once the smart TV is infected by FLocker the screen is locked, a fake
Researchers have also identified that once using the live chat feature the victim is able to negotiate a little on the price and is reassured by the extortionist that their files	LEA notice is displayed and \$200 worth of iTunes gift cards is demanded as payment.
will be decrypted once the ransom is paid.	Linked articles
Linked articles	Tech Central The Hacker News
Dark Reading	
Apple's New Feature Increases Encryption	Google Introduces New Two-Factor Authentication
Apple File System, or APFS, is a new version of the technology that Apple's products use to save and retrieve information. APFS is said to make data retrieving faster and more secure. The technology is the latest move towards further encryption following Apple's standoff with the FBI.	Two-factor authentication (the method of confirming a user's identity by utilizing a combination of two different components, often a password and a unique code) is an effective method of adding further security to online accounts. It is however often ignored by users as too time costly.
Linked articles	Google has in response made its two-factor authentication process much easier for its users, allowing users to login with a single tap rather than a code. This new method titled "Google Prompt" uses a push notification where users tap on their mobile phone
The Guardian	to approve login requests.
	Linked articles
	The Hacker News

ORGANISATIONAL	Return to Contents
EU Data Centres Are Trusted More Than Non-EU Centres	Majority of US Small and Medium Sized Businesses Unprepared For Ransomware
Blue Coat Systems have identified that 46% of British, French and German employees trust EU countries to store their data. Comparatively only 18% of those surveyed trust non-EU countries to do the same. The research was gathered from over 3,000 workers in the three countries. Linked articles Infosecurity Magazine	Research undertaken by IDT911 has identified that 75% of US small to medium sized businesses (SMB's) don't have cyber-insurance, or are unsure if their policy includes cyber protection. 65% of SMB owners report that they currently don't and don't plan to budget extra funds for cyber security. 22% of SMB owners say they are unsure how to back up their systems and files and were not aware of the need to do so.
	Linked articles Infosecurity Magazine
Over 50% The World's Top Sites Could Have Their Emails Spoofed	
Researchers at Detectify, a Swedish web security firm have identified that over 50% of the world's top sites suffer from mis-configured email servers; this heightens the risk of spoofed emails being sent using their domain names.	
Linked articles	
<u>Threatpost</u>	

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"The Industrialisation of Distributed Ledger Technology in Banking and Financial Services" techUK has published 'The Industrialisation of Distributed Ledger Technology in Banking and Financial Services', a new paper exploring how to industrialise distributed ledger technology.	<ul> <li>"Cyber Security: Protection of Personal Data Online"</li> <li>The report, published as a result of the inquiry into the 2015 hack of mobile company TalkTalk, recommends sweeping changes to the way the UK deals with cybercrime, looking at both protecting the community and pursuing criminals.</li> <li>The report suggests changes including:</li> </ul>
Written in partnership with Tata Consultancy Services (TCS), the paper provides a roadmap for financial service institutions looking to implement the technology. The paper also marks the launch of a new techUK Blockchain working group. The new group will explore the potential for this technology in the financial sector and beyond.	<ul> <li>Two-year custodial sentences for offenders convicted of cyber offences.</li> <li>Fines for businesses that fail to sufficiently defend themselves from cyber- attacks.</li> <li>CEO pay that is linked to the strength of the organisation's cyber defences.</li> </ul>
Linked articles Wired-Gov	Linked articles <u>Infosecurity Magazine</u> <u>Cyber Security: Protection of Personal Data Online</u>
"Are Banks Losing the Innovation Game?"	
A report published by Neopay has identified that 50% of 18 to 24 year olds do not trust their bank with e-money transactions. This age group is also the most likely to trust a technology company such as Google with an e-money transaction.	
Linked articles	
Are Banks Losing the Innovation Game	