

DSCI & PayPal Report reveals various success factors to build a Robust and Resilient Digital payments ecosystem

New Delhi, 9 March 2018: Data Security Council of India (DSCI) & PayPal India today released a joint study- **‘Securing India’s Digital Payment Frontiers’** highlighting the current state of cyber security in the digital payments ecosystem. The key objective of this study were to analyse India’s journey in digital payments and its cyber security dynamics, prevailing cyber threat landscape, polices, regulations, standards along with the future trends and best practices at the enterprise level.

Dr. Gulshan Rai, National Cyber Security Coordinator, Government of India said *“I would like to congratulate DSCI and PayPal for coming up with this report. The report will shape various policies and projects in coming future”*. He also said *“To secure digital payments we have to focus on infrastructure as well as end user tools. It is also important for service providers to step forward in this direction.”*

Rama Vedashree, CEO, DSCI said *“Considering the pace at which Fintech Revolution is transforming India and the success witnessed in digital payments momentum, it is absolutely critical that stakeholders give attention to a comprehensive cyber security strategy and framework. We believe securing digital payments is important for reposing trust and accelerating adoption. We are pleased to partner with PayPal and bring our collective experience in cyber security & digital payments with insights, learnings and recommendations for enabling a secured digital payments ecosystem in the Indian context.”*

Edwin Aoki, Global Vice President, Chief Architect and Technology Fellow at PayPal said *“India has emerged as one of the leading and fastest growing digital economies with a clear vision of becoming a cashless society. Enabling that vision requires strong foundations to build trust in the system and protect customers and the fintech sector from abuse by malicious actors. The cybercrime landscape is a rapidly evolving global threat, and the success of the industry requires investment in security best practices, training, and effective regulation. Through the study, we have evaluated the digital payments environment and highlighted the impact of cyber security on users to illustrate the importance of a holistic cyber security framework. With global expertise from our presence across 200 markets, we are geared up to help India secure the digital payments space.”*

The study includes a perspective on the evolving digital payments sector in India including global perspectives on Fintech revolution as well as the impact of cyber security on various aspects of the industry. In addition to consumer best practices, key takeaways from the report include recommendations in the areas of public policy and enterprise security. Opportunities, threats and risks in the sector are highlighted stressing the importance of a holistic cyber security framework.

Key recommendation proposed are as follows:

1. A **long-term strategy** for managing the dynamic global cyber security environment and controlling cybercrime
2. **Standardization** of data protection laws and cyber security framework
3. **Comprehensive regulatory guidelines** on technology risk management, payment security management and business continuity management
4. **Mechanism for encouraging threat intelligence sharing** across the digital payment ecosystem
5. Strong **startup innovation program** for cyber security and the Fintech industry

6. **Public-private partnerships** for cyber security **skills** and **workforce** development
7. Regulatory **sandbox environment for cyber security testing**
8. **Incentivizing Model** for companies to make cybersecurity and data protection a priority for Boards and C-Suites

With advancements in emerging tools and technologies like cryptocurrencies, IoT, automation, machine learning, and analytics redefining the future and Fintech industry, the report recommends future deliberations towards ensuring that these technologies can primarily be used to transform the Indian financial services industry to make it robust, resilient and offer a secure experience.

India's digital payments industry currently worth around USD 200 Billion, is expected to grow five-fold to reach USD 1 Trillion by 2023, as per a report by Swiss financial services holding company Credit Suisse. A recent report by The Reserve Bank of India stated that digital payment transactions stood at 1.06 billion in the month of December 2017. The Government of India is targeting to reach 25 billion digital transactions by the end of this fiscal year (FY2018).

About DSCI:

Data Security Council of India (DSCI) is a premier industry body on data protection in India, setup by NASSCOM®, committed to making the cyberspace safe, secure and trusted by establishing best practices, standards and initiatives in cyber security and privacy. DSCI brings together governments and their agencies, industry sectors including IT-BPM, BFSI, Telecom, industry associations, data protection authorities and think tanks for public advocacy, thought leadership, capacity building and outreach initiatives. More info on www.dsci.in

About PayPal:

Fuelled by a fundamental belief that having access to financial services creates opportunity, PayPal Holdings, Inc. (NASDAQ: PYPL) is committed to democratizing financial services and empowering people and businesses to join and thrive in the global economy. Our open digital payments platform gives PayPal's 227 million active account holders the confidence to connect and transact in new and powerful ways, whether they are online, on a mobile device, in an app, or in person. Through a combination of technological innovation and strategic partnerships, PayPal creates better ways to manage and move money, and offers choice and flexibility when sending payments, paying or getting paid. Available in more than 200 markets around the world, the PayPal platform, including Braintree, Venmo and Xoom, enables consumers and merchants to receive money in more than 100 currencies, withdraw funds in 56 currencies and hold balances in their PayPal accounts in 25 currencies.

More details on <https://www.paypal.com/us/webapps/mpp/about>