

NCC bank of Bangladesh secures digital channels with Thales Luna HSMs

Challenge

Banks and financial institutions around the world have been going through a major digital revolution over the last decade. From payment transactions to banking processes and even into investments, everything has been shifting towards a digital format and structure thanks to innovative new technologies. These technologies continue to develop and evolve continuously. While the digital world and the cloud have many benefits for banking institutions and their customers, different platforms and different solutions available to the various banks and the supply chains within these complex processes are varied and pose their own challenges throughout the financial industry.

In Bangladesh, the government recently created the Interoperable Digital Transaction Platform (IDTP) initiative requiring that all bank accounts, mobile financial services and payment system providers be interoperable; a development that will allow people to move funds within the financial sector in real-time and at lower costs, and give a major boost to cashless transactions. However, Bangladesh Bank had earlier introduced paperless Automated Clearing House in the Country which is the Inter Bank clearing system that electronically clears and settles payment instructions of clearing instruments and of electronic fund transfer instructions. Bangladesh Automated Cheque Processing Systems (BACPS) had started its operation on October 7th, 2010 in the Dhaka Clearing House area. BACPS uses the Cheque Imaging & Truncation (CIT)

technology for electronic presentation and payment of paper instruments (i.e.cheque, pay order, Demand Draft, dividend & refund warrants, etc).This project was implemented as part of its several reform measures taken by Bangladesh Bank to improve the safety and efficiency in the payment system. There were challenges and complexities in meeting the requirements of the new IDTP project which were similar to those in the BACH project such as security needed to be end-to-end, with multi-factor authentication, hardware based root of trust for cryptographic operations and keys as well as immutable record keeping and audit logs.

Solution

NCC Bank – The Challengers of the Digital Banking Experience in Bangladesh

NCC Bank Limited has a unique history of its own. The organization started its journey in the financial sector of the country as an investment company in 1985. The aim of the company was to mobilize resources from within and invest them in such way as to develop the country's Industrial and Trade Sector and play a catalyst role in the formation of capital market as well. The company operated up to 1992 with 16 branches and thereafter with the permission of the Central Bank converted into a full-fledged private commercial Bank in 1993 with paid up capital of Tk. 39.00 crore to serve the nation from a broader platform. Since its inception, NCC Bank Ltd. has acquired a commendable reputation by providing



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sincere personalized service to its customers in a technology-based environment. The Bank has set up a new standard in financing in the Industrial, Trade and Foreign exchange business. Its various deposit & credit products have also attracted many clients - both corporate and individuals who feel comfort in doing business with the Bank. Currently, NCC Bank has 125 branches, 6 sub-branches, more than 1 million customers, 0.92 million accounts, 92 products in loans, 72 products in deposits, 135 ATMs, and 10 CRMs. NCC Bank operates a diversified business and functions in the form of Corporate Banking, Retail Banking, SME Banking, NRB Banking, Treasury, Remittance, Export, Import, Cards, as well as Off-shore Banking and Islamic Banking.

On top of everything, the Bank management has the vision to drive digital offering and technology advancement for the bank in the near future. Since NCC Bank Ltd. has had a long-standing 30 years reputation for sincere personalized service, with quality technology,



the NCC Bank knew it had to rise to this challenge to the best of its ability to ensure products and services across Bangladesh were interoperable and seamless for the customer.

Mr. Rahman, SEVP and CIO (Chief Information Officer) of NCC Bank having over 25 years of experience in the domain of Information Technology is the proven "Change Maker" and a dynamic

"Transformational Leader", expert in financial solutions and banking eco-systems architecture, planning, design, development and implementation. He says that NCC Bank of Bangladesh selected Thales through comprehensive evaluation for supporting them for the IDTP initiative due to their reputation as the market leader in the security industry.

Benefits

Since the IDTP initiative relies on crypto operations to ensure confidentiality and integrity of all transactions, and Thales Luna HSMs are FIPS 140-2 Level 3 certified as well as offering a secure communication channel between HSM and Application Nodes meant that crypto transactions would be trusted and meet the highest level of security. Thales Luna HSMs have been deployed for crypto operations, secure key generation and storage in many financial institutions around the globe owing to their robust operational capabilities proven in the field for decades, and have gained the trust of end-users for ensuring an unhindered but secure transaction flow. He also mentioned that Information Security is one of the biggest concerns now in Banking as a billion dollar hacker industry has been developed over the past decades. The amateur hacker industry is now professional with new hacks coming almost in every day. In a recent research, cybercrime is expected to globally cost up to USD 6 trillion annually.

Results

Thales Luna HSMs are a proven product entrusted by banks around the world to ensure the privacy of customers. Adding Luna HSMs to the existing infrastructure was smooth and seamless thanks to its efficient setup and administration. The overall security architecture, including tamper-resistant hardware, multi-factor authentication and secure delivery protect cryptographic keys and sensitive data. It is scalable, flexible and crypto agile to handle multiple applications with different crypto requirements. Luna HSMs are available in multiple models and form factors to meet customer needs, which can be used on-premises, in the cloud, or across hybrid environments making it the ideal choice to support digital transformations.

About Thales

The people you rely on to protect your privacy rely on Thales to protect their data. When it comes to data security, organizations are faced with an increasing number of decisive moments. Whether the moment is building an encryption strategy, moving to the cloud, or meeting compliance mandates, you can rely on Thales to secure your digital transformation.

Decisive technology for decisive moments.