Payment Services Directive 2

New security requirements for mobile banking apps in the EU

What does PSD2 mean for mobile banking apps?

PSD2 or Payment Services Directive 2 is upcoming European Legislation requiring financial services companies to contribute to a more integrated, secure & efficient payments ecosystem. Key components of PSD2 include requirements set by the European Banking Authority to ensure that payments are secure. Taking effect in September 2019, this will apply to all payment services within the EU. For mobile banking apps, the security requirements set out in PSD2, point to a need for protection against known and unknown attacks against mobile apps.

The need to secure mobile authentication

The security goals for PSD2 is to protect consumers and to make the use of payment services safer. Key security goals set by the Regulatory Technical Standards for PSD2 are the ability to detect malware and provide a security to mitigate risk on user devices. To meet these requirements, financial institutions should add security capabilities to their mobile apps that protect against known and unknown threats on users' devices. At the same time, mobile banking apps should be able to detect when they are installed on risky devices, and block access banking services until those risks have been remediated.

Required security for PSD2

Regulatory technical standards

The European Banking Authority developed Regulatory Technical Standards to ensure an appropriate level of security for payment service users. These include two key security requirements: monitoring mechanisms for malware and security measures to mitigate risks for mobile users:

Detect malware

Banks must implement transaction monitoring mechanisms to detect signs of malware infection in any sessions of the authentication procedure. *(PSD2, Regulatory Technical Standards, Article 2-3)*

Secure execution environment

Banks must have security measures such as secure execution environments to mitigate the risk which would result from the user devices being compromised. *(PSD2, Regulatory Technical Standards, Article 9-3)*

Lookout App Defense

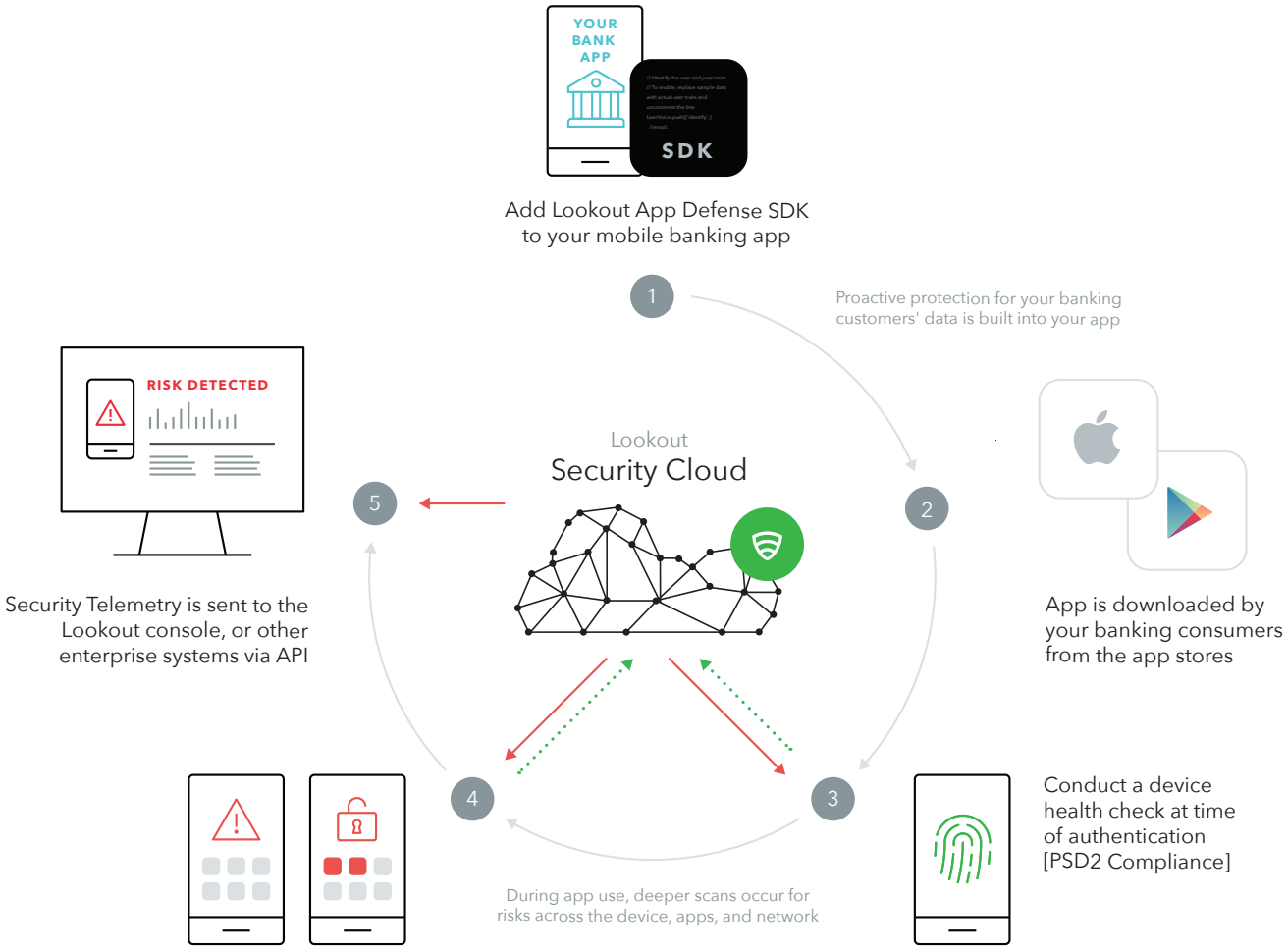
How it supports PSD2

How it works

App developers within financial institutions can easily add the Lookout App Defense SDK library during the app development process, enabling the app to leverage the power of threat data from the Lookout Security Cloud to protect individuals and organizations from data compromise when conducting transactions.

Enterprises can access and action the security telemetry generated by Lookout App Defense in two different ways:

- The Lookout App Defense developer console is a web-app that gives admins visibility into the state of security events on a mobile device, with configurable risk ratings and security event alerts
- The Lookout Event Feed API is a raw feed of security event telemetry that enterprises can integrate with SIEMs, fraud management systems, or proprietary back-end services.



The Lookout Difference

- Lookout has amassed the world's largest mobile security datasets due to our global scale and mobile focus. Lookout has collected security data from over 170 million devices worldwide and inspected over 70 million apps, with up to 90K new apps added daily.
- This global sensor network enables our platform to be predictive by letting machine intelligence identify complex patterns that indicate risk. These patterns would otherwise escape human analysts.
- Mobile is a new era of computing and requires a new era of security solution designed exclusively for this platform. Lookout has been securing mobility since 2007 and has expertise in this space.

Lookout empowers your organization to deliver secure mobile services with unrivaled visibility into application risk. To learn how you can secure your mobile consumer experiences, contact us at www.lookout.com

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