

ASEAN countries are currently underspending on cybersecurity. A step-up in investment is needed to raise cybersecurity spending to benchmark levels (see figure 21). If each ASEAN country spends between 0.35 and 0.61 percent of GDP annually on cybersecurity between 2017 and 2025, spending would be in line with best-in-class countries. Our estimates suggest that this translates into a \$171 billion collective spend for the region in the period spanning 2017 to 2025. This represents a justifiable and manageable investment, considering the value-at-risk and that individual governments spend on average 1.8 percent and up to 3.4 percent of GDP on defense.²⁸

Figure 21
Target cumulative cybersecurity spend, 2017 to 2025



Notes: Mature market average includes the United States, the United Kingdom, and Germany. Best in class is based on spend levels as a percentage of GDP for Israel. Rest of ASEAN is Laos, Brunei, Cambodia, and Myanmar. Sources: Gartner, International Data Corporation; A.T. Kearney analysis

Indonesia stands out as potentially requiring a significant investment as the share of its digital economy is expected to grow significantly in the coming years.

3.2.2 Define and track cybersecurity metrics through a sector-level cyber-hygiene dashboard

Barriers to trust and transparency emanate partly from a lack of structured mechanisms to collect data, measure performance, and share intelligence. The lack of consistently defined and applied cybersecurity metrics and mechanisms within each country to collect and share the output data makes it difficult to assess the effectiveness of a cyber program and drive continuous improvement.

In sectors such as financial services, identifying and tracking meaningful metrics can provide an enhanced level of transparency while also improving performance on these metrics over time. A few metrics can help focus the cybersecurity agenda on the areas that matter most (see figure 22 on page 33). The onus is on regulators to identify metrics that have the most relevance to their respective sectors and ensure consistent, up-to-date definitions. Establishing metrics at a sectoral level requires a consultative approach while keeping in mind organizational constraints and different business needs.

²⁸World Bank data for Malaysia, Singapore, Indonesia, Thailand, Vietnam, and the Philippines