

# DORA - Digital Operational Resilience Act

The Digital Operational Resilience Act (DORA) is a European Union (EU) regulation aimed at strengthening the information and communication technology (ICT) security of financial entities and making sure that the financial sector can stay resilient in the event of a severe operational disruption.

## Key points of DORA

### Scope

Applies to a wide range of financial entities, including banks, insurance companies, investment firms, and critical third-party service providers operating within the EU, as well as the ICT infrastructure supporting them from countries outside the EU such as the United Kingdom.

### Goals

- Harmonise rules relating to digital operational resilience across the EU
- Ensure financial entities have robust ICT risk management frameworks
- Require regular testing of operational resilience
- Improve incident management and reporting
- Promote information sharing on cyber threats
- Enhance oversight of critical third-party providers

### Requirements

#### ICT risk management

Financial entities must establish a framework for identifying, assessing, and mitigating ICT risks.

#### ICT third-party risk management

Entities must manage risks associated with third-party service providers.

#### Digital operational resilience testing

Regular testing of operational resilience, including stress testing and scenario analysis.

#### Incident management and reporting

Entities must have plans for managing ICT-related incidents and report major incidents to authorities.

#### Information sharing

Entities must share information and intelligence on cyber threats with other financial institutions and regulators.

#### Oversight of critical third-party providers

Regulators will have enhanced oversight of critical third-party service providers.

### Timeline

Entry into force: 16 January 2023

Application date: 17 January 2025

**DORA is expected to have a significant impact on the financial sector, requiring entities to invest in their ICT security and resilience. It aims to improve the overall resilience of the EU financial system to cyber threats and operational disruptions.**