GOVERNANCE FOR CYBER SECURITY AND RESILIENCE IN THE ARCTIC

USE OF BLOCKCHAIN FOR ENSURING CYBER SECURITY IN THE ARCTIC.

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HOW THE BLOCKCHAIN TECH WILL ENSURE CIIP SAFE?

CYBERSECURITY RELATIONSHIPS BETWEEN OTHER TYPE OF SECURITY



BLOCKCHAIN

Decentralized Peer-to-peer network Distributed ledger

> Data safe- no possible to change Add new Data Timestamp Honesty and transparency Security (identification, authentication, authorization) Integrity





CRYPTOGRAPHIC HASH FUNCTION



A hash function is any function that can be used to map data of arbitrary size to data of a fixed size.

A **cryptographic hash function** is a special class of hash function that has certain properties which make it suitable for use in cryptography. It is a mathematical algorithm that maps data of arbitrary size to a bit string of a fixed size and is designed to be a one-way function, that is, a function which is infeasible to invert.



SHA-256	Bitcoin, Bitcoin Cash, Namecoin, NuBits, Peercoin, SHACAL-2, DSA, IPSEC, PGP	SHA-2 (Secure Hash Algorithm 2) is a set of <u>cryptographic hash</u> functions. The SHA-2 family consists of six hash functions with <u>digests</u> (hash values) that are 224, 256, 384 or 512 bits: SHA-224, SHA-256, SHA-384, SHA-512, SHA-512/224, SHA-512/256.	United States <u>National</u> <u>Security Agency</u> . 2001	<u>Merkle–Damgård construction</u> with <u>Davies–Meyer</u> compression function.
Ethash (DaggerH ashimoto)	Etherium, Etherium Classic, OmissGO	Ethash is the proof-of-work function in Ethereum-based blockchain currencies.It uses Keccak, a hash function eventually standardized to SHA-3. Ethash has been designed to be ASIC-resistant via memory-hardness and easily verifiable.It also uses a slightly modified version of earlier Dagger and Hashimoto hashes to remove computational overhead.	Vitalik Buterin 2015	Ethash uses an initial 1 GB dataset known as the Ethash DAG and a 16 MB cache for light clients to hold. These are regenerated every 30,000 blocks, known as an epoch. Miners grab slices of the DAG to generate mix-hashes using transaction and receipt data, along with a cryptographic nonce to generate a hash below a dynamic target difficulty.
Scrypt	Litecoin, Dogecoin, Gulden, Potcoin	scrypt is a password-based <u>key derivation function</u> originally for the <u>Tarsnap</u> online backup service.	<u>Colin Percival</u> 2009	The scrypt function is designed to hinder such attempts by raising the resource demands of the algorithm. Specifically, the algorithm is designed to use a large amount of memory compared to other password-based KDFs
X11	Dash	a <u>proof of work</u> algorithm with a <u>hash function</u> called "X11", with eleven rounds of hashing, and the average time to mine a coin was around two a half minutes		
Crypto Night	Monero, <u>Monero</u>	CryptoNote is an <u>application layer</u> protocol that powers several decentralized privacy-oriented <u>digital currencies</u> .	2012	
Equihash	Bitcoin Private, Zcash, Zcoin, Bitcoin Gold	Equihash is a memory-oriented <u>Proof-of-Work</u> algorithm	Alex Biryukov and Dmitry Khovratovich, 2016	
X11 Gost	Sibcoin			
BLAKE2b	Zcash, FreeBSD Ports, OpenSSI, Crypto++, Libsodium, Botan			
Keccak (SHA-3)		SHA-3 (Secure Hash Algorithm 3) is the latest member of the <u>Secure</u> <u>Hash Algorithm</u> family of standards. SHA-3 is a subset of the broader cryptographic primitive family Keccak.	Guido Bertoni, <u>Ioan</u> <u>Daemen</u> , Michaël Peeters, and <u>Gilles Van</u> <u>Assche</u> . 2015	Keccak is based on a novel approach called <u>sponge</u> <u>construction</u> .

TYPES AND OBJECTS OF ATTACK

- 51% Attack
- Attack on network nodes Founders, partners Attack Black holes Team **Employees** Attacks on users wallets Hired personnel Denial-of-service (DoS) and distributed denial-of-service (DDoS) attacks Man-in-the-middle (MitM) attack Infrastructure Phishing and spear phishing attacks E-mail Password attack Network Cross-site scripting (XSS) attack Domain Web site Server Birthday attack Wallets Communication Malware attack Apps and process Hacking Crypto Exchanges Social networks Chats forums

CHRONOLOGY OF ATTACKS

2010-2015		2015		2016		2017		2018	
Bitcoin Vulner source code	\$184M	Bitstamp Hacking Crypto Exchanges	\$5.1 M	BitFinex <i>Attacks on users</i> <i>wallets</i>	\$72M	CoinDash Attack on network nodes	\$7M	Coincheck Japan Hacking Crypto Exchanges	\$500 m
Mt. Gox Hacking Crypto Exchanges	\$473M			The DAO Vulnerophey source	\$50 M	Parity Wilnerdomty Source code	\$32M	Coinrail South Korea Hacking Crypto Exchanges	\$40 m
				Steem.mit.com Hacking private account	\$85K	Veritasium <i>Attacks on</i> users wallets	\$8M		
						Tehter Attacks on company's servers	\$30,9 M		

INFORMATION SECURITY PARADIGM: CONFIDENTIALITY, INTEGRITY, ACCESSIBILITY, OBSERVATION PROTECTION ACORDING TO <u>ND TPI 2.5-004-99</u>

- Confidentiality
- Integrity
- Accessibility
- Observation



CONCLUSION

PROBLEMS THAT CAN BE SOLVED BY USING THE BLOCKCHAIN TECHNOLOGY ARE:

- Transparency and Trust. It's immutable and append-only records can only be added to that database and never removed or changed. It's updateable only via consensus or agreement on the state of the data among peers
- Decentralization. Blockchain databases are distributed among multiple computers (nodes) that store full or partial copies of that database. Remove monopoly and single point of authority and keep trust between parties
- Security and Fraud prevention. The records on blockchain are secured through cryptography. Every transaction is signed with a personal digital signature. If a record is altered, the signature will become invalid and the peer network will know right away that something has happened. Blockchain don't have a single point of failure and can't be changed from a single computer
- Value Exchange & Micropayments. Cryptocurrencies allow transferring value between parties without banks, governments. Transaction cost is almost zero comparing to Visa/Mastercard payments (600,000 transactions for \$0.01 in Stellar)