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The Need of Security Inside a Microservices Architecture in the Insurance Industry

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Agenda

1. Introduction
2. Reference Architecture for Microservices
3. Requirements for German Insurance Companies
4. Authorization and Authentication Patterns
5. Conclusion and Future Work

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- **Competence Center Information Technology & Management (CC_ITM)**
  - Institute at the University of Applied Sciences and Arts, Hannover
  - Founded in 2005 by colleagues from the departments of **Business Information Systems and Computer Science**
  - Members: **Faculty staff**, **industry partners** (practitioners) of different areas of businesses
- Main objective
  - **Knowledge transfer** between university and industry
- Research topics
  - Management of information processing
  - Service computing, including Microservices, Service-oriented Architectures (SOA), Business Process/Rules Management (BPM/BRM)
  - Cloud Computing

Introduction

The goal of our current research is the security aspect inside a **Microservices Architecture in the Insurance Industry** regarding **Security regulations in Germany**, jointly with our partner companies.

Questions to be answered:

- What are the Security Regulations in Germany and who are the corresponding Authorities?
- How is it determined if an infrastructure needs to obligate to these regulations?
- Which patterns for edge- and service-level authorization exist and what are their pros and cons?
- What considerations need to be taken for choosing specific patterns?

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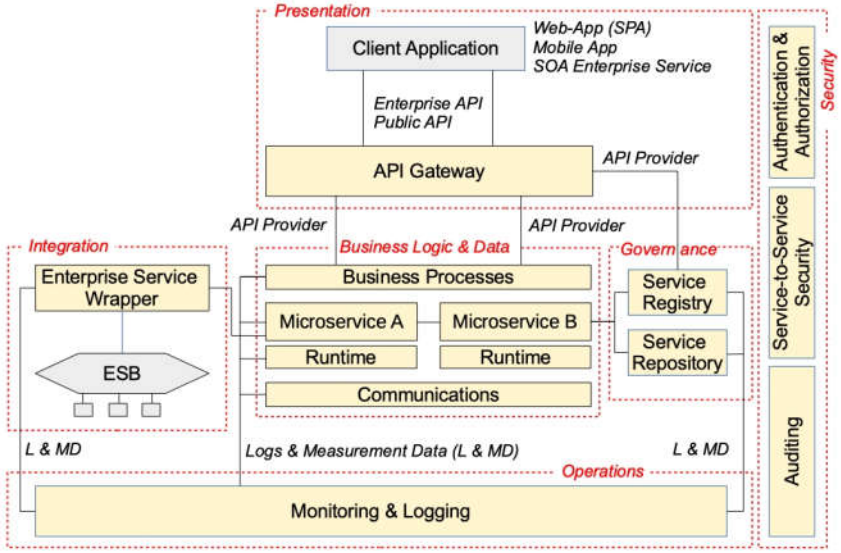
Reference Architecture for Microservices

- **Coexistence**: Legacy applications, SOA and microservices based applications will be operated in parallel for a longer transition period.
- **Security**: Consists of components to comply to general and specific security requirements.



Building Blocks of the Logical Reference Architecture RaMicsV [own representation].

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Requirements for German Insurance Companies

Definition of critical infrastructures – Council of the European Union:

> ".. **essential for the maintenance** of vital societal functions, health, safety, security, economic or social well-being of people, and the **disruption or destruction of which would have a significant impact** in a Member State..." [1]

Requirements for German Insurance Companies

Determination of critical infrastructures – Federal Office of Information Security (BSI) [2]:

- 7 Sectors: energy, water, food, information technology and telecommunications, health, **finance and insurance**, transport and traffic.
- Examples of critical services: **payment transactions or insurance services**.
- Certain **given thresholds** must be exceeded.
- General example:
  - Contract administration system.
  - Number of life insurance claims per year exceeds €500,000.

Requirements for German Insurance Companies

Obligation to provide evidence in Germany [3][4]:

- **Precautionary measures** to achieve protective goals IT-Security.
- Effort required for securing should be **in proportion to the consequences** of failure.
- Every 2 years to BSI.
- **Federal Financial Supervisory (BaFin) is responsible for supervision** of Banks and financial and insurance providers.
- **Catalog of requirements** for the required evidence published by BSI [5].

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Authorization and Authentication Patterns

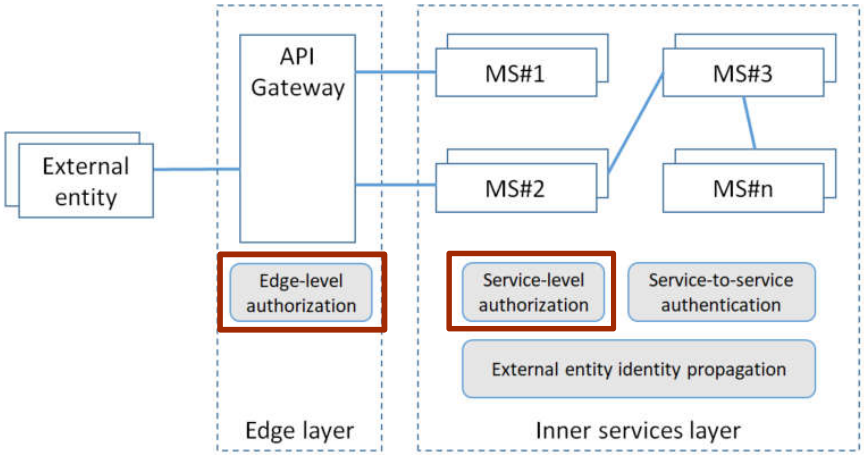
Authentication and Authorization: Differentiation

- Authentication
  - Check and calculate Data.
  - No domain knowledge necessary.
  - **Performance decides about location of this functionality.**
- Authorization
  - Domain knowledge is not necessary for role-based access control (RBAC).
  - Domain knowledge is necessary for access control list (ACL).
  - **Performance *and* access control level of detail decides about the location of this functionality.**

Authorization and Authentication Patterns

Location:

- Edge-level:
  - Functionality inside API Gateway.
  - No contact between Microservice and the functionality.
- Service-level:
  - Functionality inside every Microservice.
  - All functionality will (needs to) be developed by each Microservice-Team.



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Authorization and Authentication Patterns

Authentication:

- Edge-level:
  - Domain logic development teams have very little involvement.
  - API Gateway development teams have to deal with more complexity.
  - Only one team is responsible, which reduces the risk of security vulnerability.
  - Faster development by lower complexity.
  - Poor scalability due to single point of control.
- Service-level:
  - Domain logic development teams have to deal with more complexity.
  - Higher risk for security vulnerabilities due to multiple development teams.
  - Slower development due higher complexity in any Microservice.
  - Higher scalability, which stresses one of the most important properties of a MSA.

Authorization and Authentication Patterns

Authorization:

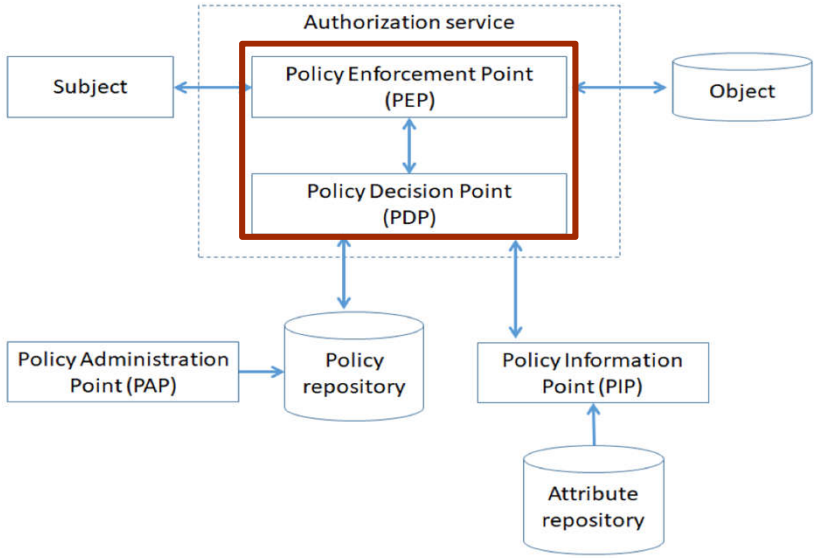
- Edge-level
  - Easy implementation and maintenance.
  - May create problems when scaling.
  - Complex systems can be difficult to design.
  - Back-end Microservices must only be accessible via the API Gateway.
  - Risk of too strong coupling of API Gateway and Microservices.
  - No independent deployment possible.
- Service-level
  - Different patterns on following slides.

Authorization and Authentication Patterns

PDP and PEP:

- Policy Decision Point (PDP): Computes the authorization decision.
- Policy Enforcement Point (PEP): Enforces the authorization decision.

The next patterns are about where PEP and PDP reside in the Microservices environment.



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Authorization and Authentication Patterns

Changed general properties compared to edge-level:

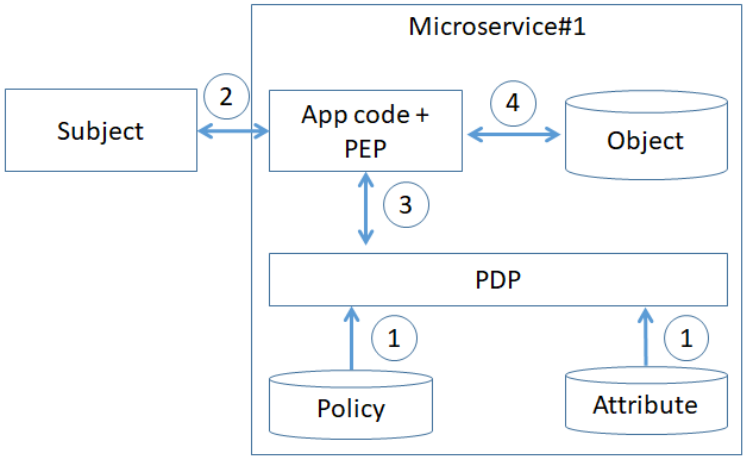
- Responsibility shifts from API development team to the Microservices development team;
- Complex Microservice environments are possible;
- Implementation and maintenance are more complex because changes affect each Microservice.

Authorization and Authentication Patterns

Decentralized pattern:

- PEP and PDP are in the Microservice.
- Properties:
  - Everything controlled by Microservice development team;
  - Optimal for scaling;
  - A lot of effort to implement and maintain
  - Propagating policy and attribute changes to all Microservices.

Recommended for Enterprise Service Bus (ESB) only if performance has the highest priority.



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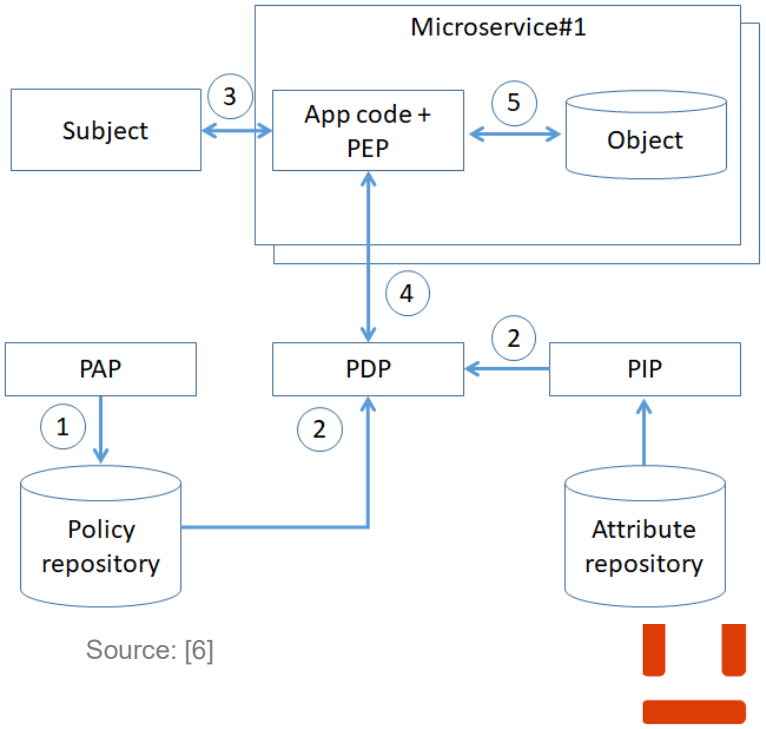
Authorization and Authentication Patterns

Centralized pattern with single PDP:

- Only PEP is in the Microservice;
- Properties:
  - Every request on Microservice will result in a network call to the PDP;
  - Low effort to Microservice-Team;
  - Need of high-performance PDP component.

ESB could be the PDP component.



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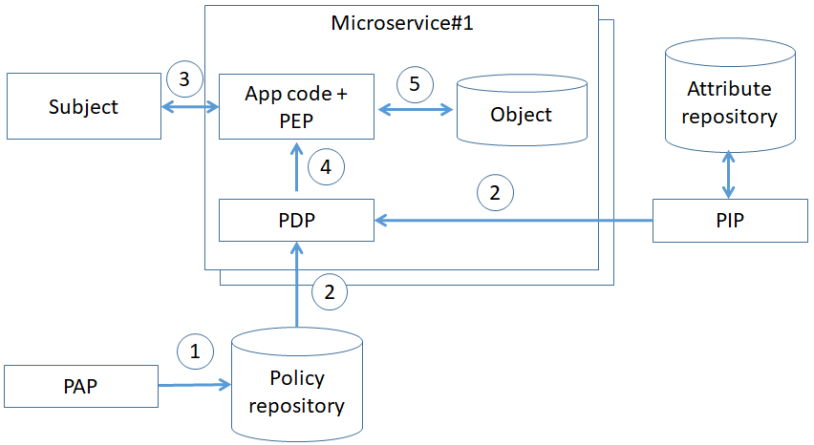
Authorization and Authentication Patterns

Centralized pattern with embedded PDP:

- PDP and PEP are inside the Microservice but embedded within a library;
- Properties:
  - Performance like „Decentralized pattern“;
  - Low effort to Microservice-Team.

ESB could be used for data and attribute sharing.

All other components could make fast decisions within the Microservices.



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Conclusion and Future Work

- Presented here:
  - Legal requirements and general conditions for German Insurance Companies;
  - Initial considerations for architectural security patterns, which address authentication and authorization in a Microservices Architecture.
- Next steps / future work:
  - Adding more guidelines for selection of security patterns;
  - Approach of validity and consistency of embedded policies;
  - Service-to-service authentication;
  - Relevant and current aspects of the protection goals;
  - Deployment options and resulting security domains.

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