



The 9th IIASA-DPRI Conference on Integrated Disaster Risk Management

*Scientific Challenges in Implementing Integrated
Disaster Risk Management in a Changing World*

12-16 October 2009 in Kyoto, Japan



IDRiM 2009

Prepared by

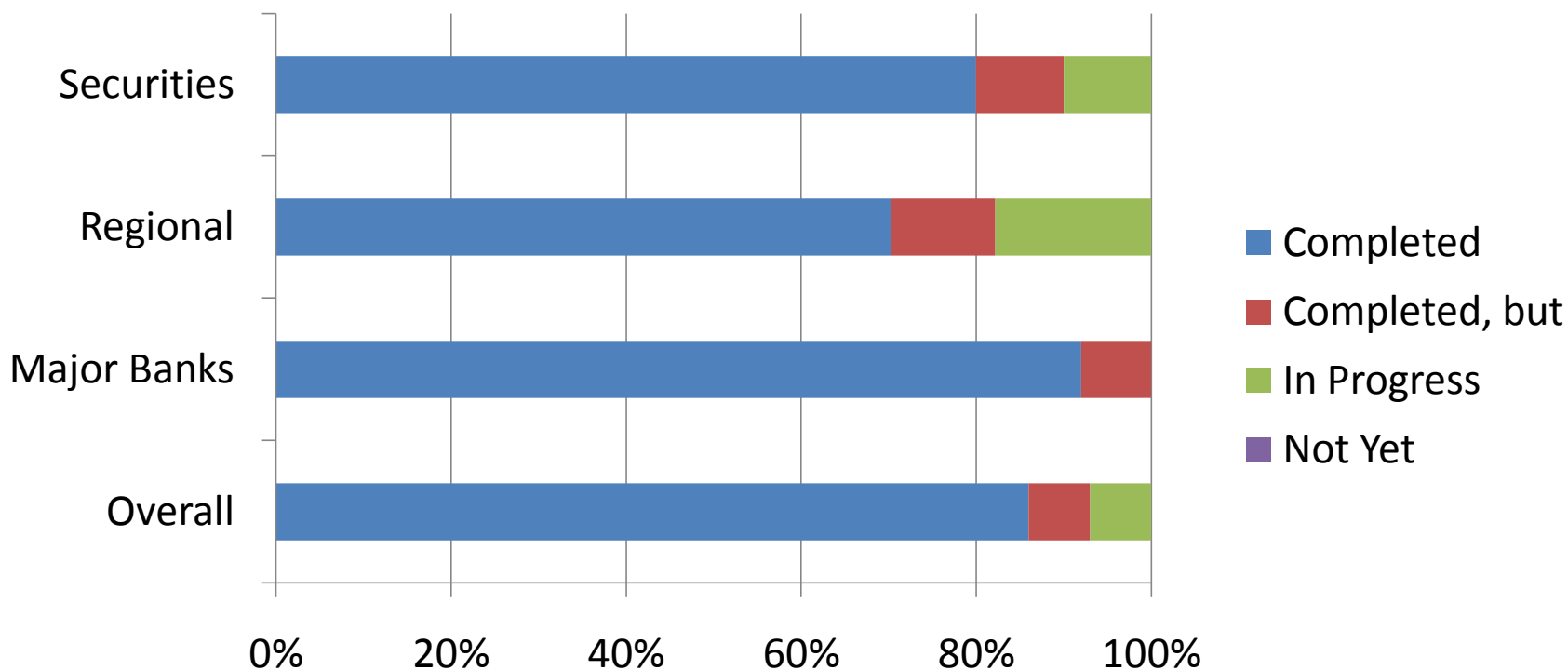
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Presentation Topic

- BCM Trends in the Financial Sector in Japan and recent challenges at a large organization
 - BCM Trends in the Financial Sector
 - BCM Checklist
 - Challenge (1) M&A
 - Challenge (2) IT outsourcing
 - Challenge (3) Pandemic Preparation

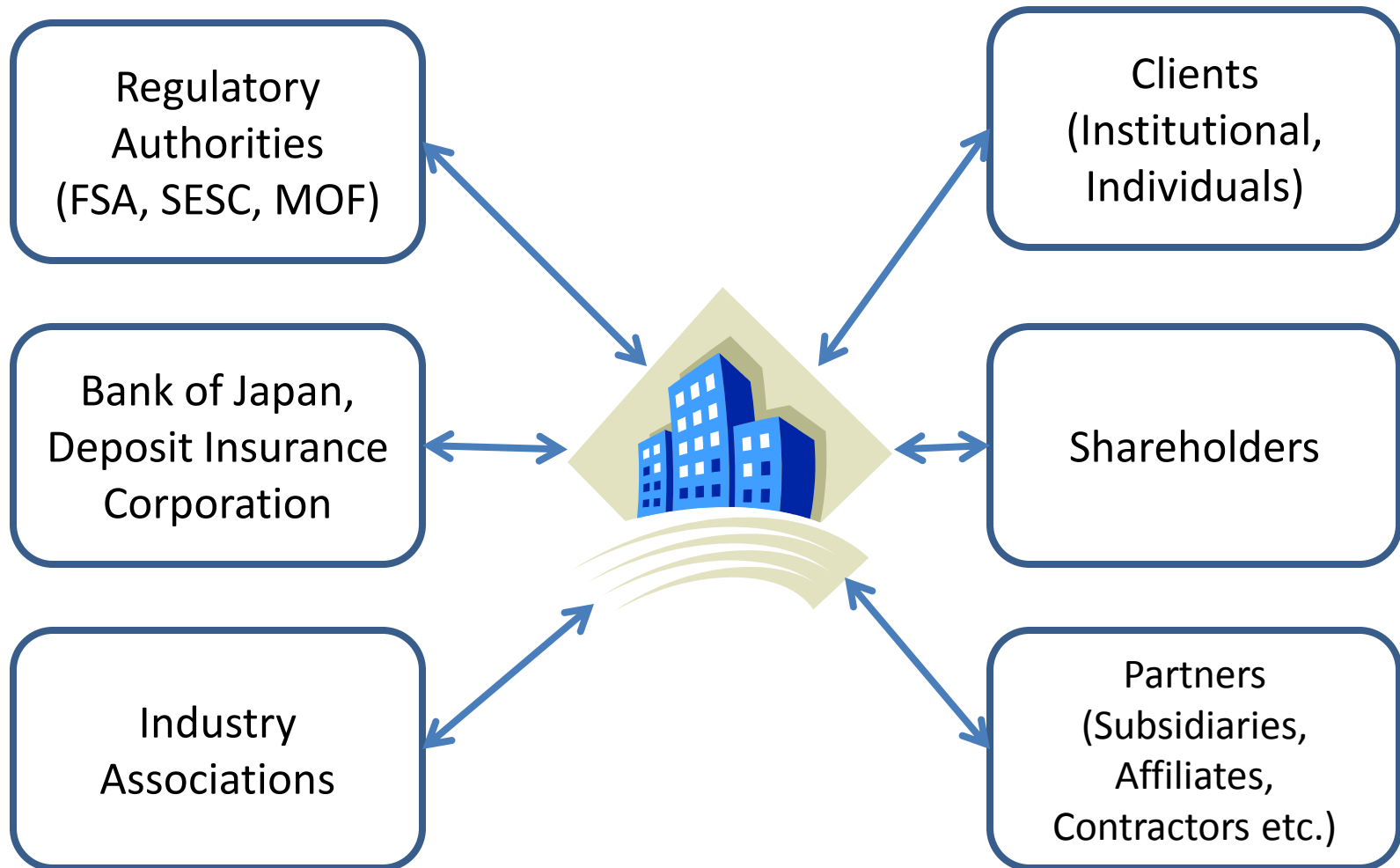
Diffusion Ratio of BCP in the Financial Sector in Japan



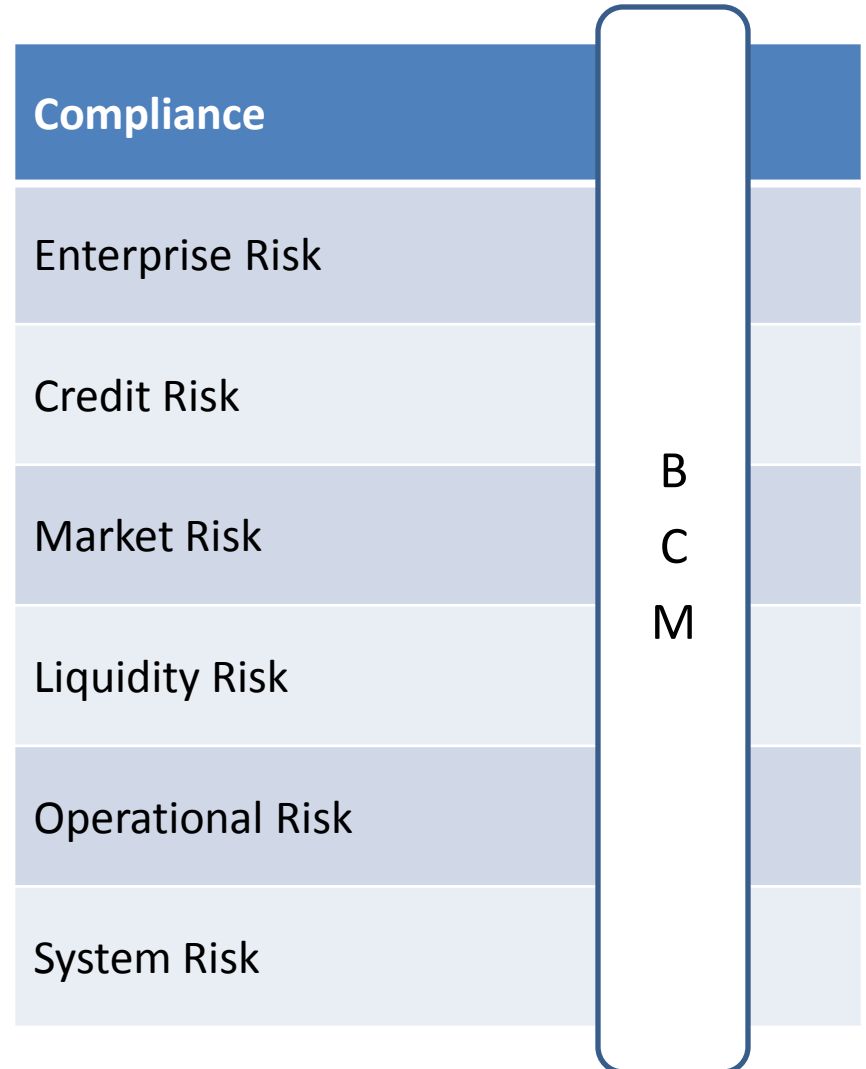
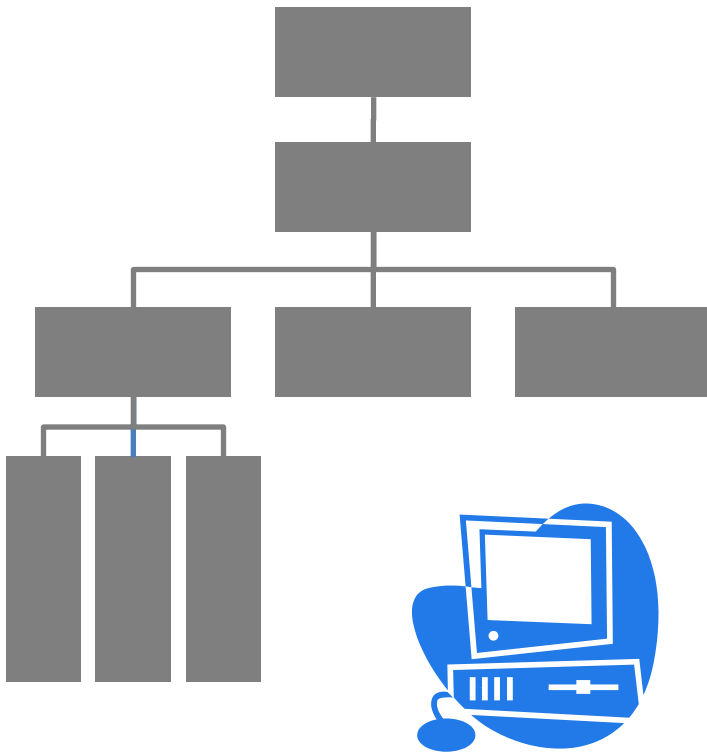
(Source) Bank of Japan's 4th BCM Survey conducted between October and November in 2008. # of Correspondence : 84 institutions

(Note) Full Text Survey Report available from the BOJ's website at <http://www.boj.or.jp/type/ronbun/ron/research07/ron0902a.htm>

Financial Institutions & Stakeholders



Organization and BCM



Financial Inspection and BCM

- Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.
- Financial Inspection Rating System
- Basic Policy for Financial Inspection
- Basic Policy and Plan for Financial Inspection in Program Year 2009
- Inspection Manual (including checklists)

And more ...

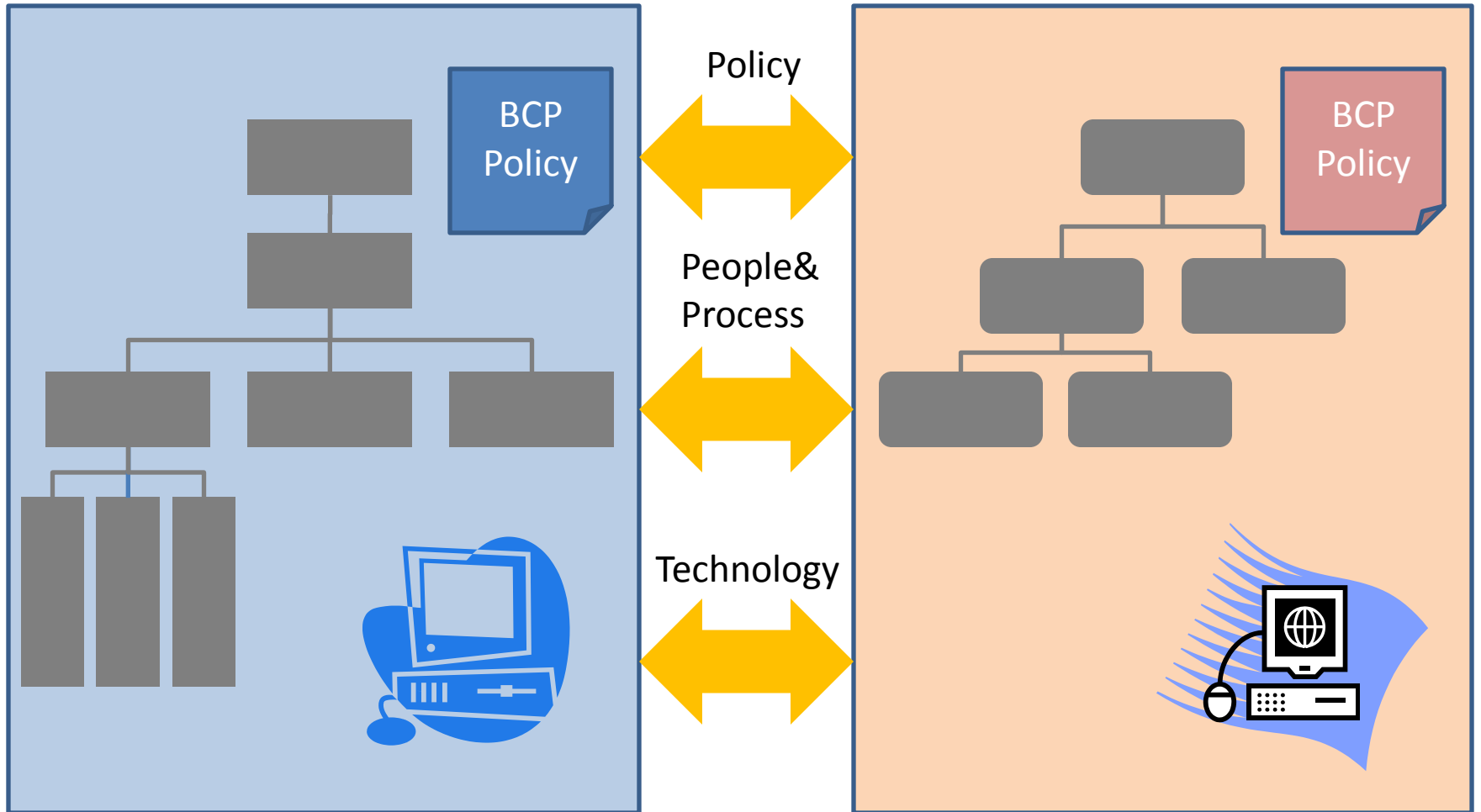
Inspection Manual and BCM

Development of Contingency Plan (excerpt from the Inspection Manual)

- (i) Does the institution have contingency plans in place to prepare for malfunctioning of computers systems due to disaster and other events?
- (ii) Does the institution seek approval of the Board of Directors when it develops contingency plans or conduct important revisions of the plans? (Does it seek the approval of the Board of Directors or equivalent organization to the Board of Directors for other, less important revisions?)
- (iii) Does the institution refer to the “Handbook for Contingency Planning in Financial Institutions” (edited by the Center for Financial Industry Information System) when developing contingency plans?
- (iv) When developing contingency plans, does the institution assume emergencies arising not only from disasters but also from other factors within and outside the institution?
- (v) When developing contingency plans, does the institution analyze possible effects on the settlement systems and possible damage to customers?
- (iv) Does the institution regularly conduct practices based on contingency plans? Are such practices conducted on a company-wide basis and, as necessary, with the involvement of outsourcing contractors, etc.?

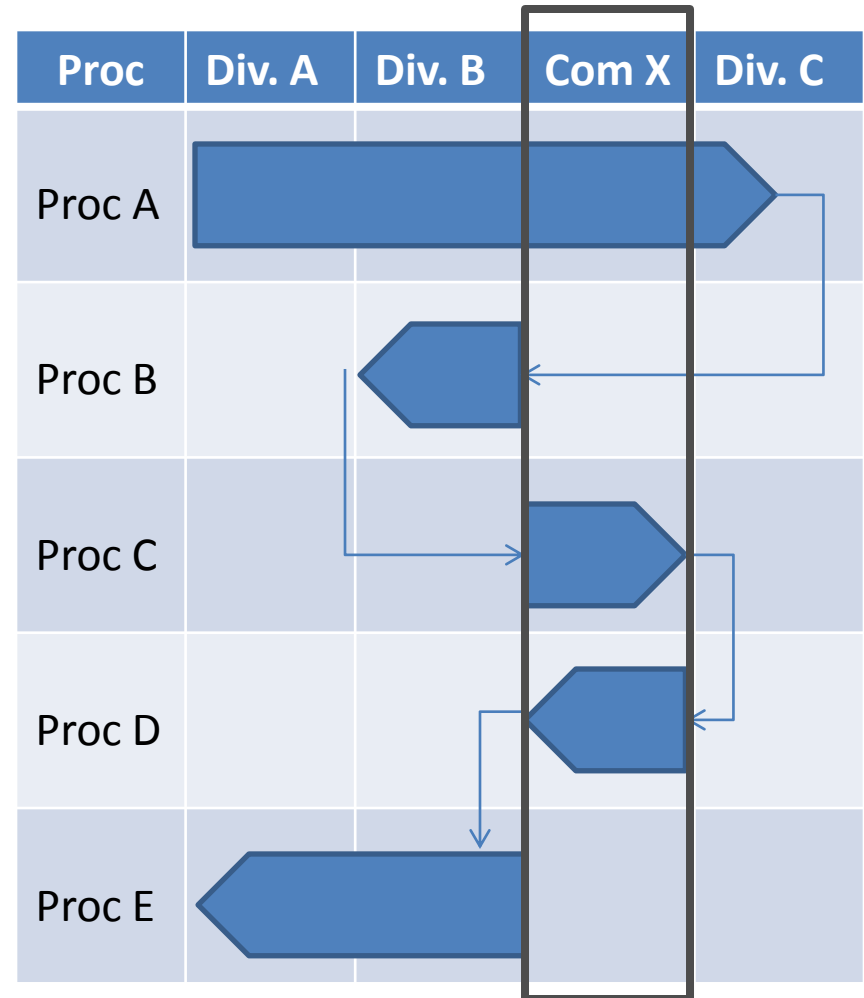
(Note) Full English version of the Inspection Manual available from the FSA's website at www.fsa.go.jp

Challenge (1) M&A



Challenge (2) IT outsourcing

- IT outsourcing is not a new topic, but ...
 - Questionnaire
 - BCP Review
 - BCP Audit
 - SLA/SLM
 - Level of Control
 - Personal Information Protection Law in Japan
 - Limitation of Direct supervision

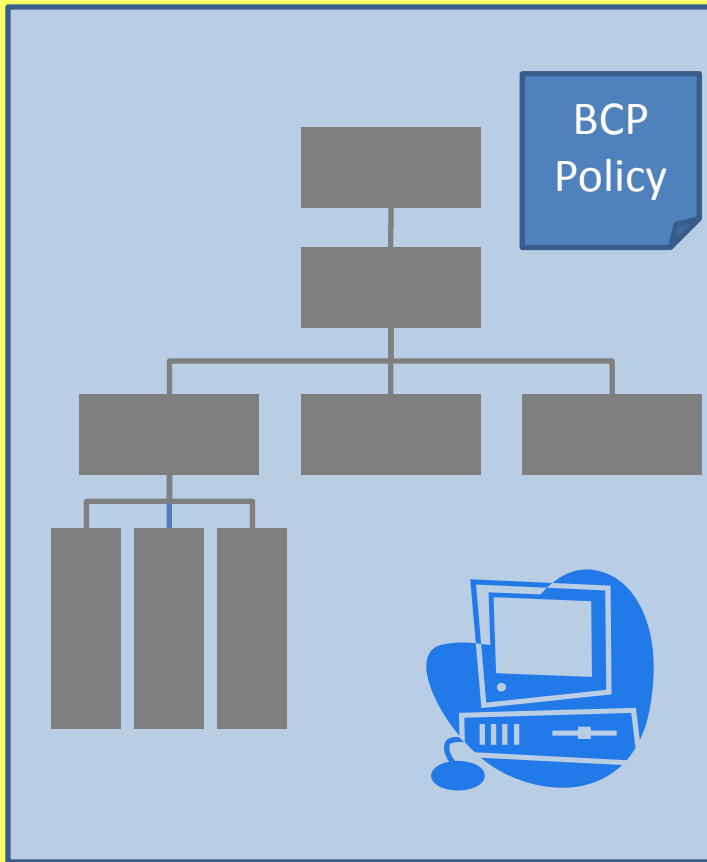


Challenge (3) Pandemic Preparation

- Flexibility
- Crisis Communication
- Timely Information Sharing
 - New ways to use “I am alive System”
- Working from home
 - Technology
 - Compliance & Security
- Consideration of Legal Aspect

Summary

Place



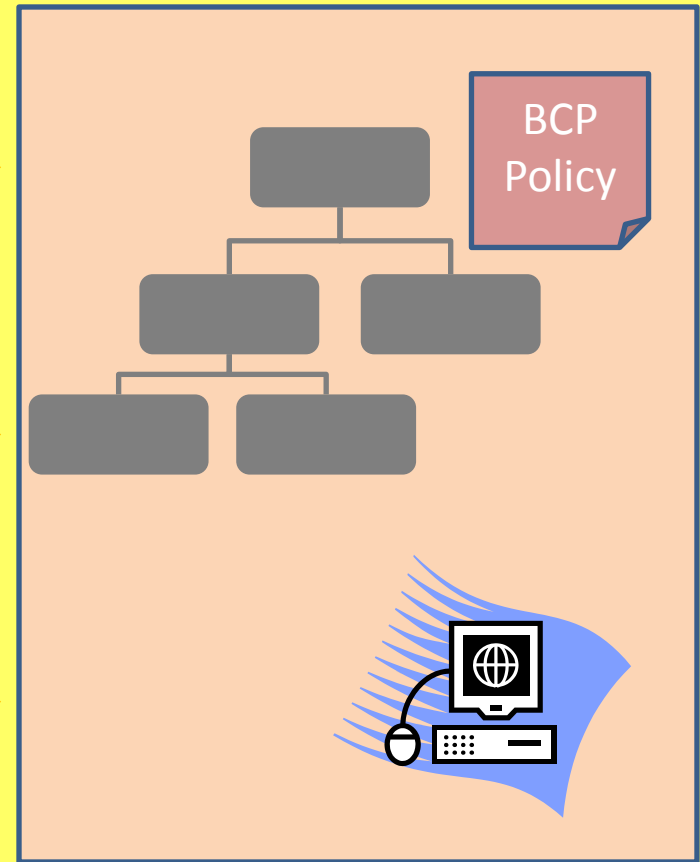
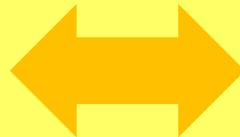
Policy



People &
Process



Technology



Thank you

If you have any questions, please send e-mail to:

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Mizuho Securities Co., Ltd.