

Business Continuity Management

Bank of Mexico



BANCO DE MÉXICO

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BoM's Business Continuity Plans

- Bank of Mexico (BoM) has been concerned for long time about the business continuity of its critical processes, including SIPS, SSS and others FMI's.
- Since 2006, BoM has a formal procedure to declare a contingency and to trigger all contingency plans at institutional level.
- BoM's bussines continuity plans (BCP) include:
 - A BCP committee, at the most senior level of the bank.
 - Staff has been trained on business continuity topics and practices.
 - FMI's managed by BoM must have the highest level of business continuity.
- BoM has also specific BCPs for the payment system it manages: Interbanking Electronic Payment System -SPEI-.
 - During 2010, SPEI's availability was 100%.



BoM's Business Continuity Plans Scenarios

Scenario	Risk mitigation strategy
1. Lack of access or use of the primary site, due to natural disasters like earthquakes and floods, or social disturbances, terrorist attacks, etc.	Alternate site
2. Pandemics	Remote access to workstations
3. Software failure on the operator's workstations due to malicious software: computer virus, worms, trojans, etc.	Protected and isolated network, with computers running a different operating system
4. Hardware failures on the primary servers	Secondary servers
5. Major interruption on the IT applications	Disaster Recovery Plans



BoM's Business Continuity Plans Scenarios - Details

1. Lack of access to the primary site

- There is an alternate site, fully functional.
- Alternate site's infrastructure is checked everyday, since designated staff operates in shifts between the main and the alternate site.
- BoM operates quarterly all its critical systems from the alternate site.
- Key staff is provided with a manual explaining how to act in case of contingency.
- General information regarding this scenario is available to all employees on the BOM's intranet.

2. Pandemics

- Key personal has been provided with laptops configured to connect to BOM's private network via Internet (VPN).
- This personal can operate from any remote site with access to the Internet
- Normally, the access to BOM's private network via Internet is blocked. The channels are open only if needed.



BoM's Business Continuity Plans

Scenarios - Details

3. Software failures

- Firewalls for all BOM network
- A system to control the applications allowed to run in each computer.
- Selected workstations protected by local firewalls and running a Linux operating system.

4. Hardware failure on the primary servers

- Online replication and/or backing up of relevant information, at least in one server.
- Directing the operation to alternate servers.
- Restarting the service on the primary server, at a given time or date, after the failure is fixed.

5. Major interruption on the IT applications used by operators

- Disaster Recovery Plans per each critical IT application, which do not assume the software can be run.



BCPs of the participants

- In 2007, BoM evaluated the business continuity level of the six main participants in SPEI.
 - In general, most participants had a form of BCPs implemented.
 - However, important opportunities for improvement were identified.
 - Banks committed to tackle the problems identified.
- In 2011, BoM is extending the exercise.
 - All commercial and development banks, and some non-banks are now included in the evaluation.
 - After the evaluation is completed, general and individual recommendations will be issued by BoM.
 - If needed, some of these recommendations will be mandatory for some participants.
- We will be conducting these evaluations periodically.



BCPs in Latinamerican and the Caribbean payment systems

- In 2008 and 2010, BoM and CEMLA evaluated the status of the payment systems' business continuity management in the region.
 - The main central banks from Latinamerica and the Caribbean participated.
 - BoM proposed an evaluation methodology, based on the Core Principles, "High Level Principles for Business Continuity" and recommendations from the ECB and the Bank of England.
- The results were presented in the *Global Payments Week*.
 - In general, the central banks in the region have a good level of bussiness continuity.
 - We identified a relevant improvement in the infrastructure aspects of the BCPs, from 2008 to 2010.
 - Documentation and tests of the BCPs are still the main challenge in the region.