



Bangko Sentral ng Pilipinas

ODD1-09-26-03

OFFICE OF THE GOVERNOR

MEMORANDUM

TO : All Banks and Non-Bank Financial Institutions under
BSP Supervision with Head Offices Located in Metro
Manila, Metro Cebu and Metro Davao

SUBJECT : BUSINESS CONTINUITY PLAN

Financial institutions can be adversely affected by the suspension of critical operations due to natural disasters such as earthquakes and typhoons; man-made disasters such as terrorism, computer crime and coup d'etat; technical disasters such as power outages and computer problems, and other causes.

Learning from the experience of the recent mutiny in the heart of the Makati financial district, there is a need to further review banks' and NBFIs' business continuity plans to ensure that the plan includes back-up operations and data recovery sites that are far enough (at least 20 kilometers away) from where the banks'/NBFIs' primary operations are located. Otherwise, they might be subject to the same disaster. It is likewise strongly recommended that back-up facilities do not share telecommunication lines or electric power supply routes with the main facility.

Banks and NBFIs should furnish BSP with information on their back up site arrangements within thirty (30) days. Those which do not meet the prescribed back-up site requirement should immediately institute corrective actions.

For compliance.

ALBERTO V. REYES
Officer-in-Charge

20 October 2003