

# **Business Continuity Arrangements for Payments & Securities in the Netherlands**

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ECB conference on  
Market infrastructures Business Continuity  
arrangements in an integrated euro-area  
– possible needs for interaction and co-ordination –

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# Agenda

- Initiatives in the Netherlands
- The Escalation Committee on payments & securities of the Dutch core financial infrastructure
- International context
- Increasing need for interaction and co-operation

# Initiatives in the Netherlands

- Escalation Committee on payments & securities
- Government project on vital sectors
- Counterterrorism Alert System
- Financial sector contacts with local authorities

# Escalation Committee - Why

- Payments and securities sector-wide coordination is needed when individual Business Continuity measures of market infrastructures are insufficient to deal with operational crisis

# Escalation Committee – Basic principles

- Communication is key
- Capitalise on existing communication structures
- Banks, market infrastructures & NCB together
- Focus on payments & securities
- Members are linking pin to their own institution's crisis organisation
- Assumption: key market infrastructure unavailable
- Unavailability of one bank no showstopper
- Limited rerouting of key processes
- Accept lower service level

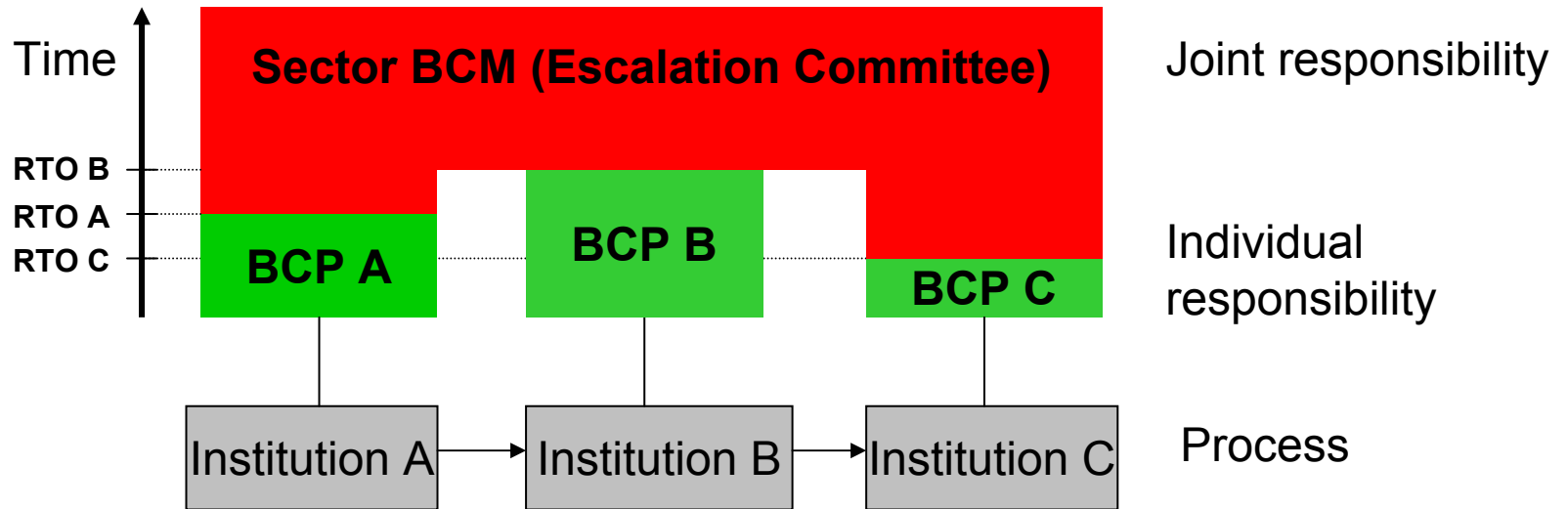
# Escalation Committee - What

- Crisis Management
  - Respond to payments and securities sector-wide major operational crisis
- Sector BCM
  - Be prepared for payments and securities sector-wide major operational crisis

# Escalation Committee - When

- When market infrastructures do not meet their Recovery Time Objectives (RTO) a crisis can have sector-wide impact and hence the Escalation Committee needs to be notified and activated

# Escalation Committee - When



# Escalation Committee - Who

- The Dutch core financial infrastructure:
  - Market infrastructures
  - Major banks
  - Other banks are represented by the Dutch banking association (NVB)
- DNB is chairman and secretary
  - Linking pin towards the public, other regulators & authorities

# Escalation Committee - How

- “Red Booklet”
  - to be kept within reach
  - contains information about:
- Crisis management and communication
- Alternative processing and emergency measures

# Escalation Committee - How

- Measures based on rerouting of key processes when a market infrastructure is unavailable
- Not many viable alternatives available
  - No alternative for SWIFT

# International context

- “Dutch” market infrastructure is not (or hardly) in the Netherlands anymore
- This is due to the consolidation trend in the EU
- An operational crisis in Brussels/Frankfurt/Paris may impact the Dutch market more than a local crisis in Amsterdam

# Increasing need for interaction & co-operation

- Co-ordinated communication with market infrastructures
- Possible international solutions to “domestic” problems
- Co-operative oversight on market infrastructures