

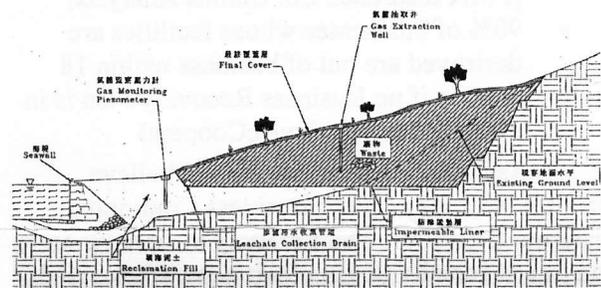
Personally, I must give credit to those companies who are serious about DR / BCP as I have read of many successful cases of recovery from disaster by preventive measures using DR / BCP.

I believe that Asian companies need to be more aware of the importance of DR / BCP and that is why SGRS is here to assist.

“Site-seeing” Around Asia...
Nick Young, Recovery Support Manager

My day to day activities at SGRS cover multiple roles: As well as the implementation and application of recovery services and interfacing with clients, my responsibilities also include service delivery, assessing the infrastructure and environment of potential new sites and ensuring that the SGRS global standards for client procedures, documentation, testing and security are all smoothly implemented and maintained on a regular basis.

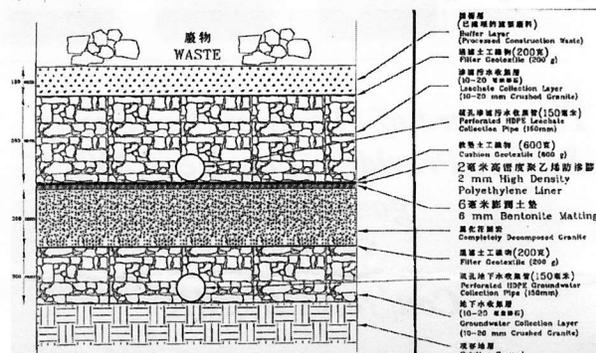
One of my current projects is assisting to assess a suitable Tokyo recovery centre (as many of you will know there is a considerable amount of reclaimed land in Tokyo city) so when I received an invitation to visit the WENT (West New Territories) landfill, I simply had to go to find out more.



WENT landfill is one of the world's largest landfills, up to 183 metres in depth, with a capacity of 65 million cubic metres. Its sophisticated environmental protection systems include gas extraction and utilisation, leachate collection (leachate is produced when water combines with inorganic and degraded organic material found in buried or surface-accumulated solid wastes) and treatment, and comprehensive laboratory facilities.

This is achieved by basically layering garbage aggregate on top of each other. It is compacted by earth moving machines and topped with a polythene membrane. The gas is extracted and used to power the site and contribute to the national grid.

Swire SITA's wholly-owned subsidiary, Waylung Waste Collection, provides liquid and specialist waste compaction collection services. It also collects livestock waste from 400 farms in the New Territories and, at its composting plant at Sha Ling, converts the waste into agricultural compost. (For more about SITA, see www.sitagroup.com.)



In 1997, the company won a 30-year contract to restore two landfill sites at Tseung Kwan O in the eastern New Territories. Swire SITA is re-profiling and capping the land for recreational use, installing systems to extract, treat and dispose of waste water and landfill gas.

If you are want more information about landfill in Hong Kong, please mail frankw@ermhk.com at the Hong Kong Waste Management Association.

For those of you that want to know more about SGRS in Tokyo, please feel free to contact me via the Hong Kong office or on my mobile (+852 9306 8328).

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Business Continuity Planning for Banks: The FastTrack

Fiona Raymond-Cox is a Senior Manager, Global Risk Management Solutions, PricewaterhouseCoopers.

It's 2:00 a.m. and the phone rings. It can't be good news. As the CEO of a major multinational bank, your IT Director is telling you that there's been a breach in the infallible firewall and a highly destructive virus is working its way through the bank's computer system. Or, it could be the local fire brigade telling you the headquarters building is engulfed in flames. Whilst you're hearing this news what's going through your mind?

Presumably you expect that your IT guys can recover the systems. What if they can't? What is at

stake? It could be a media nightmare causing a run on the bank in the case of a computer virus? Are you and your staff really ready to handle such disasters? Does your business have a real capability to dig itself out of such difficulties and recover successfully? You may be relying on the existence of a paper plan which has been gathering dust on a shelf since last year's audit review.

In our experience, we have found that while many retail and investment banks have detailed computer backup plans or comprehensive operational-level plans for specific business units, few have a single plan which encompasses both the crisis management team roles and the business operations. Fewer still have a full working solution that addresses the 'people' element (Human Resources/Public Relations) adequately.

The purpose of a business continuity capability is to ensure that in the event of disruption to business there is minimal impact on profits, operations, customers and image. In order to meet these objectives, the capability must provide clear instructions as to how senior executives and staff respond to a range of disaster scenarios, diminishing in severity from 'worst case' (e.g. major fire, severe typhoon, sabotage) to less severe situations (e.g. temporary loss of access to a building, denial of service attacks, computer virus, isolated power failure to part of an office, burst water pipe).

If your bank is capable of continuing business in adverse conditions, it will thrive. If not, your competitors will thrive in your place.

Banks that have suffered badly as a result of a disaster relied on staff who didn't understand their "plans". Lack of communication across business units is one of the chief reasons that continuity capabilities fail. At the critical point when speed is of the essence for business resumption, time, money and resources are wasted.

The traditional approach to building a business continuity capability for any bank has been to first develop detailed plans for individual business units and in particular the recovery of computer systems. This process can be long and laborious. Time and again isolated internal teams or consultants have been engaged to write these weighty documents which are not seen until 6 months later. This approach seldom involves the management team who can identify the critical business functions at the outset.

It is all too often the IT Director who determines which parts of the business resume

operations and in what order. The detailed operational plans for the separate business units then get built. Only later are they tested and found to be inoperable. This is because IT systems that are recovered do not meet the needs of the business and the separate business units have different goals and consequently different recovery priorities and timescales. Does this sound familiar? Are you sure staff at your bank can manage a crisis? Would the Fixed Income/Investment Banking teams, Front Office/Back Office teams, IT and HR understand each others' roles?

It is essential that banks develop or complete a workable business continuity capability. With this in mind, it is worth noting that the solution to any disaster scenario depends to a great extent on people (65%), infrastructure (30%) and not so much to the 6"-thick detailed plan documentation (5%) which is rarely used effectively during a real crisis.

These days many banks are seeking a faster and more effective method of implementing their business continuity capability in the dynamic world of modern banking.

Leading organisations are now considering a different approach, often called FastTrack BCP. This differs from the traditional approach in that it looks at all aspects of the business placing great emphasis on the importance of the Crisis Management Team which usually comprises senior executives who are capable of making quick decisions on important issues and coordinating the recovery actions. A cohesive team is essential in a crisis situation when there is no time for empire building.

FastTrack BCP focuses on:

- Fast delivery – major deliverables produced at the outset of the project. This means less disruption to staff and a recovery capability in place quickly;
- Holistic coverage – enabling an organisation to respond to major crisis;
- Securing buy-in and commitment on day one;
- An organisation's most valuable asset – it's people; and
- A pragmatic, workable recovery capability.

Thereafter, the FastTrack BCP approach ensures proper and regular testing and rehearsals of the continuity capability; the element so often missing during traditional business continuity planning.

FastTrack BCP can help banks' senior executives ascertain the core business functions,

document the framework and test the strength of their capability within a matter of 3 to 4 weeks. This is fast when compared to a traditional enterprise-wide BCP project which can take 6 months or more to develop. We have found that on-going staff training and testing through structured simulation exercises in a safe environment is paramount to the success of any bank's business capability. Plan maintenance is crucial.

The focus in today's business environment should be to establish a flexible continuity capability based around trained crisis management/business continuity teams. Take a look at your existing plans and seriously question whether they are capable of providing your staff with the skills and support to help your bank should you receive that dreaded 2:00 a.m. phone call.

Organisational Changes at SGRS and Sema...

Following the announcement in February 2001 that Schlumberger was to acquire Sema, this business arrangement has now been formalised. The new organisation is now called SchlumbergerSema.



Global Recovery Services Ltd. (SGRS) will continue to operate as a business unit of SchlumbergerSema providing services and solutions to clients. So, it's business as usual!

Euan Baird, Chairman and Chief Executive Officer of Schlumberger, explained the importance of this transaction to Schlumberger:

"The acquisition of Sema will enable us to accelerate significantly our existing information technology strategy. It will enhance our capabilities and critical mass in systems integration, widen our IT skills and create revenue synergies in many of our core competencies.

"I am confident that the excellent personal relationships which we have developed with senior Sema management and strong cultural fit between our organizations will facilitate the integration and subsequent growth of Sema within the Schlumberger group.

"We believe that Sema is the catalyst that will help us approach the five-year goals for growth and profitability that I set out two years ago."

Baird further stated:

"For several years, we have been actively exploiting IT to improve our internal business processes and efficiencies, to grow our existing businesses and to develop new IT-based revenue generation opportunities. This focus on leveraging IT has taken the form of extensions of existing Schlumberger business groups and also the creation of new businesses which leverage Schlumberger's long term expertise in network development and management, IP based applications, backed by a strong culture of global support.

"Such initiatives have been ongoing in all three of the Schlumberger core vertical markets: oilfield services, wireless telecom and utilities.

"We believe that it has become increasingly clear that the winners in the Internet age will be companies with excellent products and market shares in specific verticals that are able to substantially enhance their business models with these new technologies.

"Consequently, we have concluded that we need to continue to add strong IT technology, systems integration and consulting competencies on a global scale to both accelerate the growth in our core vertical markets and to establish ourselves as a leading information solutions provider in those core vertical markets. Sema provides those competencies to us."

For more information, please visit the Schlumberger Web site at <http://www.slb.com>, and enter "Sema" in the Search box at the top of the page to retrieve all press releases and articles regarding the Schlumberger Sema acquisition.

Come See Us at "Business Continuity Planning Asia 2001" in Hong Kong!

SGRS will be presenting at the Business Continuity Planning Asia event, which will take place between July 18-19, 2001, and will be held at the Sheraton Hotel.

For more information and to register, see <http://www.bcpasia.com>

See you there!