

Area Business Continuity Management

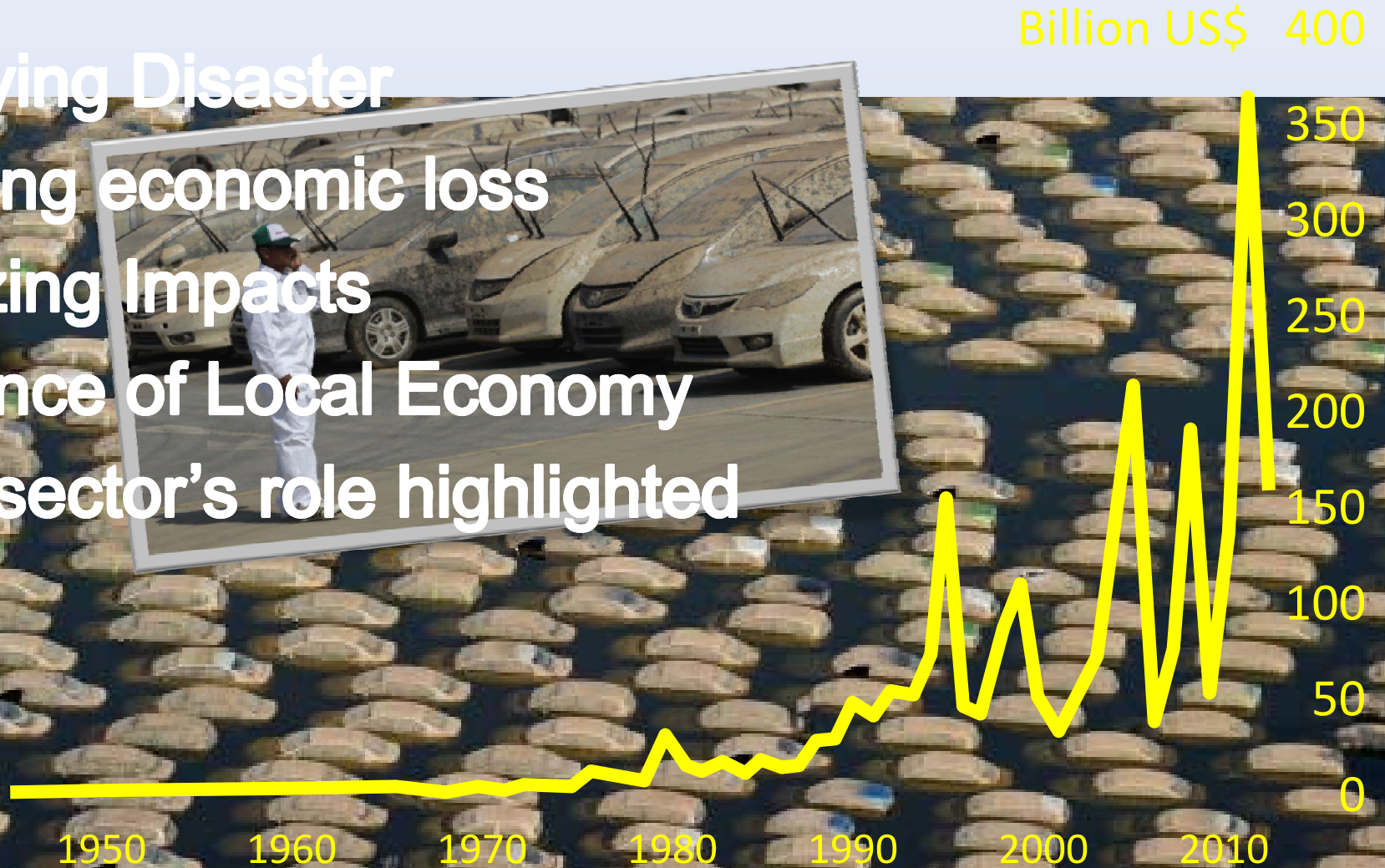
Scalable Cross Sector Coordination Framework of
Disaster Management for Business Continuity

Japan International Cooperation Agency



Why the “Area BCM” initiative?

Intensifying Disaster
Increasing economic loss
Globalizing Impacts
Importance of Local Economy
Private sector’s role highlighted

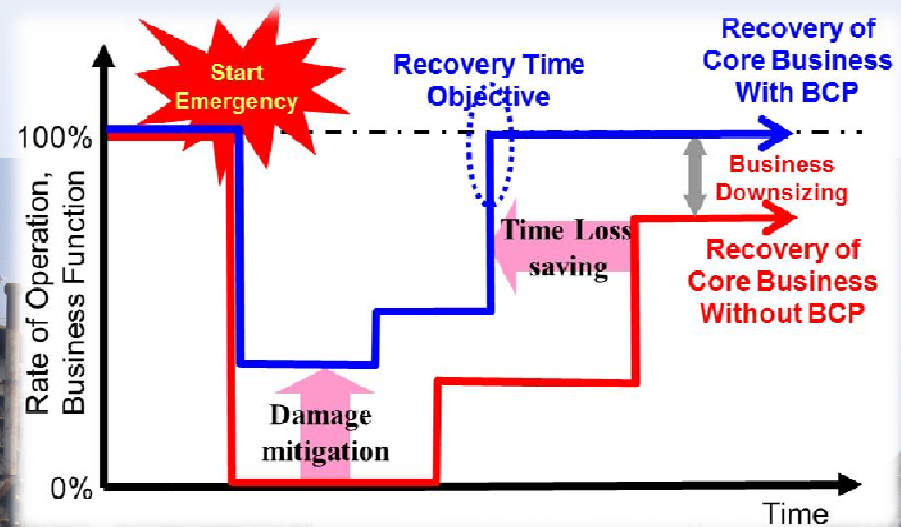


Source: large photo: AFP PHOTO / Pornchai KITTIWONGSAKUL (Photo credit should read PORNCHAI KITTIWONGSAKUL/AFP/Getty Images),
Small photo: AP Photo/Apichart Weerawong, Chart: Global economic loss of disaster by EMDAT

Why the “Area BCM” initiative?

BCMS is standardized as ISO22301 and disseminated in many business enterprises around the world.

In Great East Japan Earthquake, however, the efficacy of prearranged Business Continuity Plans (BCP) in private enterprises becomes insufficient due to disruption of common resources such as energy, water, transportation and communications.



Lessons from catastrophes
Limited function of single BCM
New concept is required

Why the “Area BCM” initiative?

The area-wide Business Continuity Requires:

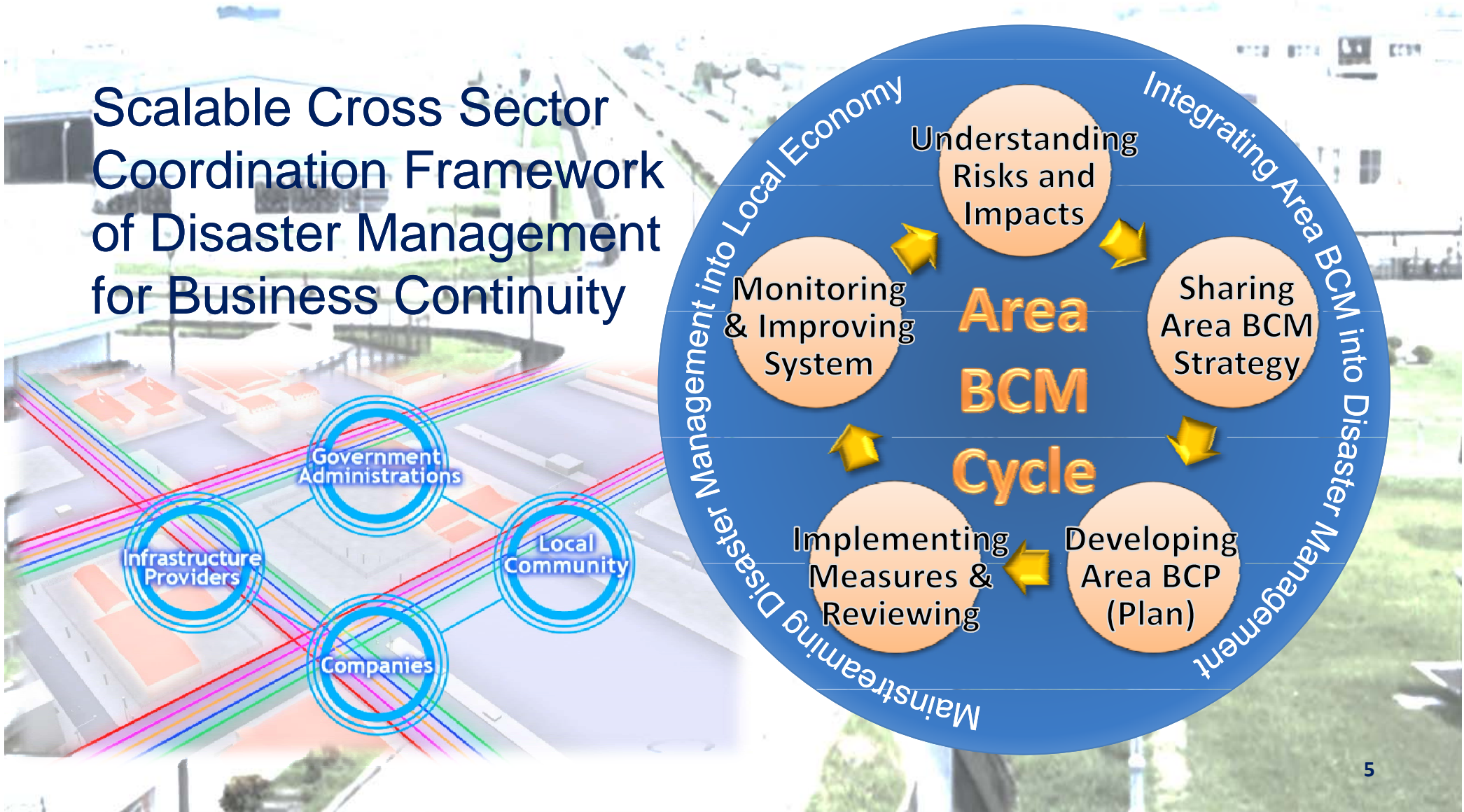
Probabilistic Analysis of Risks and Impacts, Management of Critical External Resources*, area-wide Scalability of Management, and Private Public Coordination.

Contrary to Internal resources, such as company’s buildings, facilities, parts and raw materials, the **External resources***, such as energy, water and transportation infrastructures, are managed normally by public sector and not controllable by private enterprises. The external resources are also distributed not only for business purposes but also for securing community life. Therefore, in case of emergency that imposes limited allocation of those resource, collaborative efforts are required between the private sector, public sector and the local community to maintain the critical external resources.

Source: photo: top: <http://www.af.mil/shared/media/photodb/photos/110313-F-NW653-528.jpg> by Samuel M. ... Right: Sendai Airport by Mainichi News Paper, 11 March 2011, bottom: Fire Department of Shiogama district fire Affairs Association, March 2011

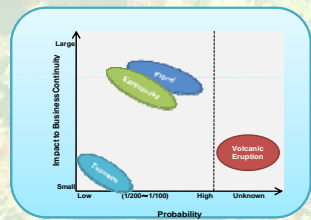
What is “Area BCM”?

Scalable Cross Sector
Coordination Framework
of Disaster Management
for Business Continuity

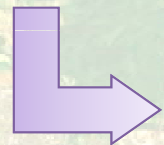


What is "Area BCM"?

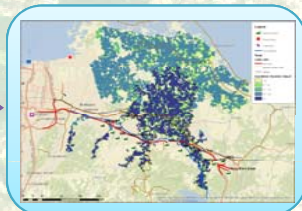
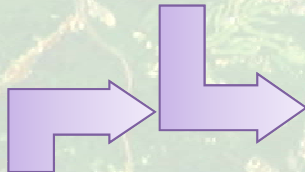
Risk and Impact Analysis



Identify Predominant Hazard



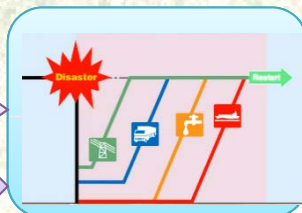
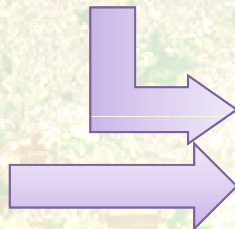
Hazard Simulation



Risk Assessment

Vulnerability of Infrastructure, utilities and the area

Current measures by public sectors and private enterprises



Disaster Scenario

Understanding Risks and Impacts

Monitoring & Improving System

Sharing Area BCM Strategy

Business Impact Analysis

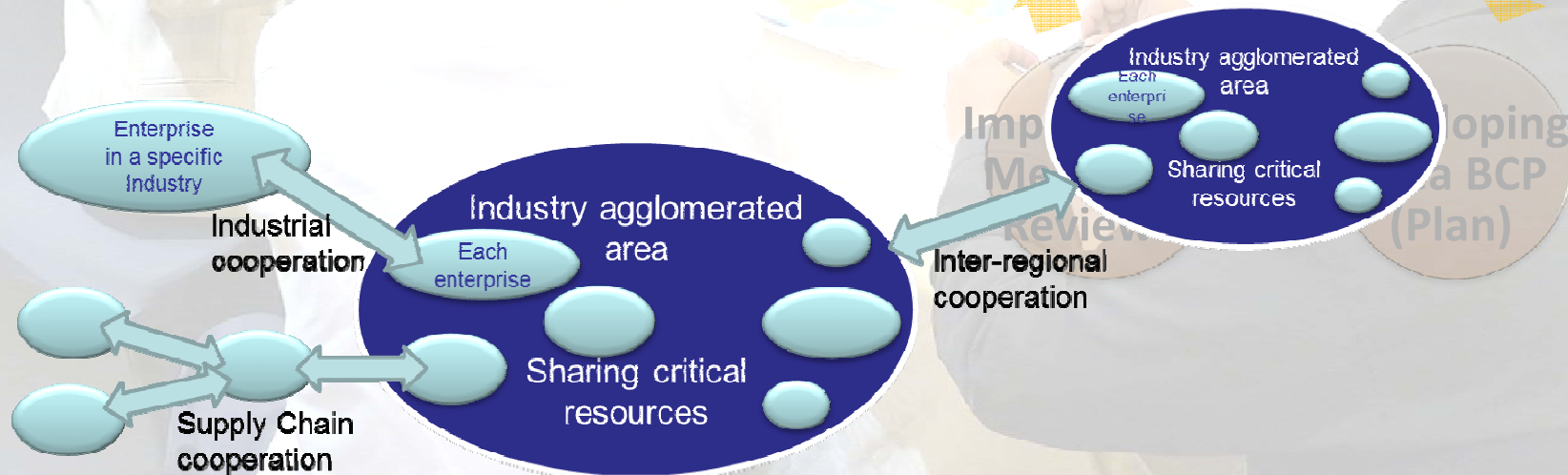
Implementing Measures & Reviewing

Developing Area BCM (Plan)

What is “Area BCM”?

Stakeholder’s forum

- Sharing risk and impact information
- Strategy and direction of business continuity of the area
- Scope of Area BCM coordination among public and private sectors



What is “Area BCM”?

Formulating/developing the Area BCP



What is “Area BCM”?

Measures should be balanced in all stages of Disaster Management Cycle of:

- Prevention and Mitigation,
- Preparedness and Response, and
- Rehabilitation and Reconstruction.

Combined tactics:

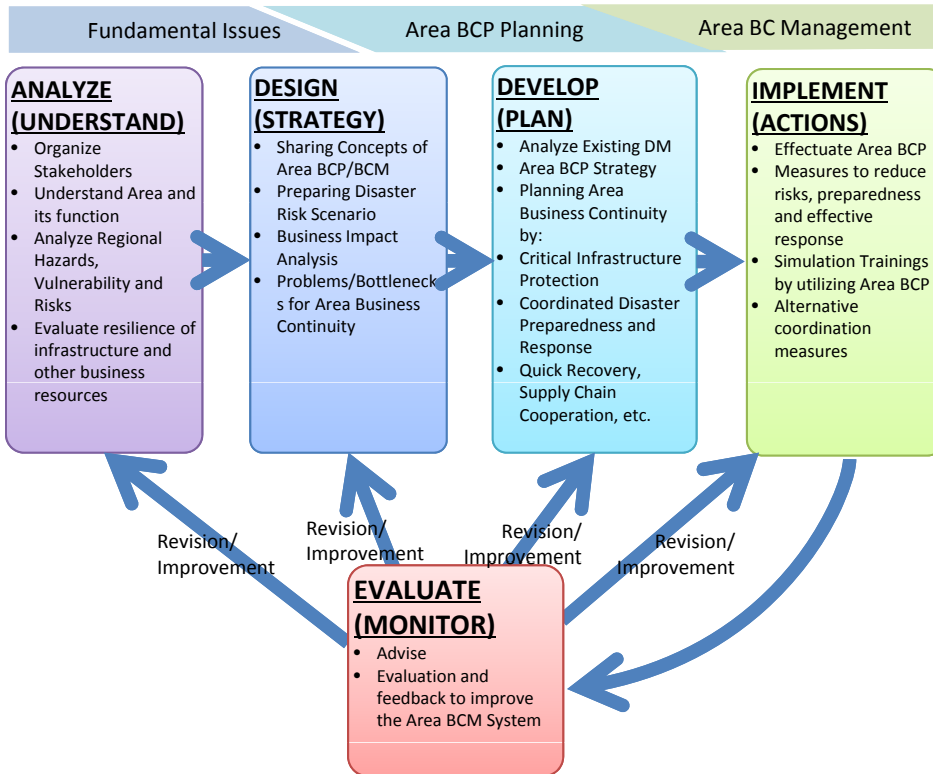
- Strengthening existing area-wide capacity of DRR,
- Preparing alternative measures, and
- Making temporary back-ups.

Multi-Scheme

- Cooperation with other stakeholders to share essential resources for business continuation,
- Making new investment for area-wide resilient development, and
- Transferring the risks by insurance or public compensation



What is “Area BCM”?



Evaluation of economic benefit through the probabilistic analysis of hazards, damages and mitigations

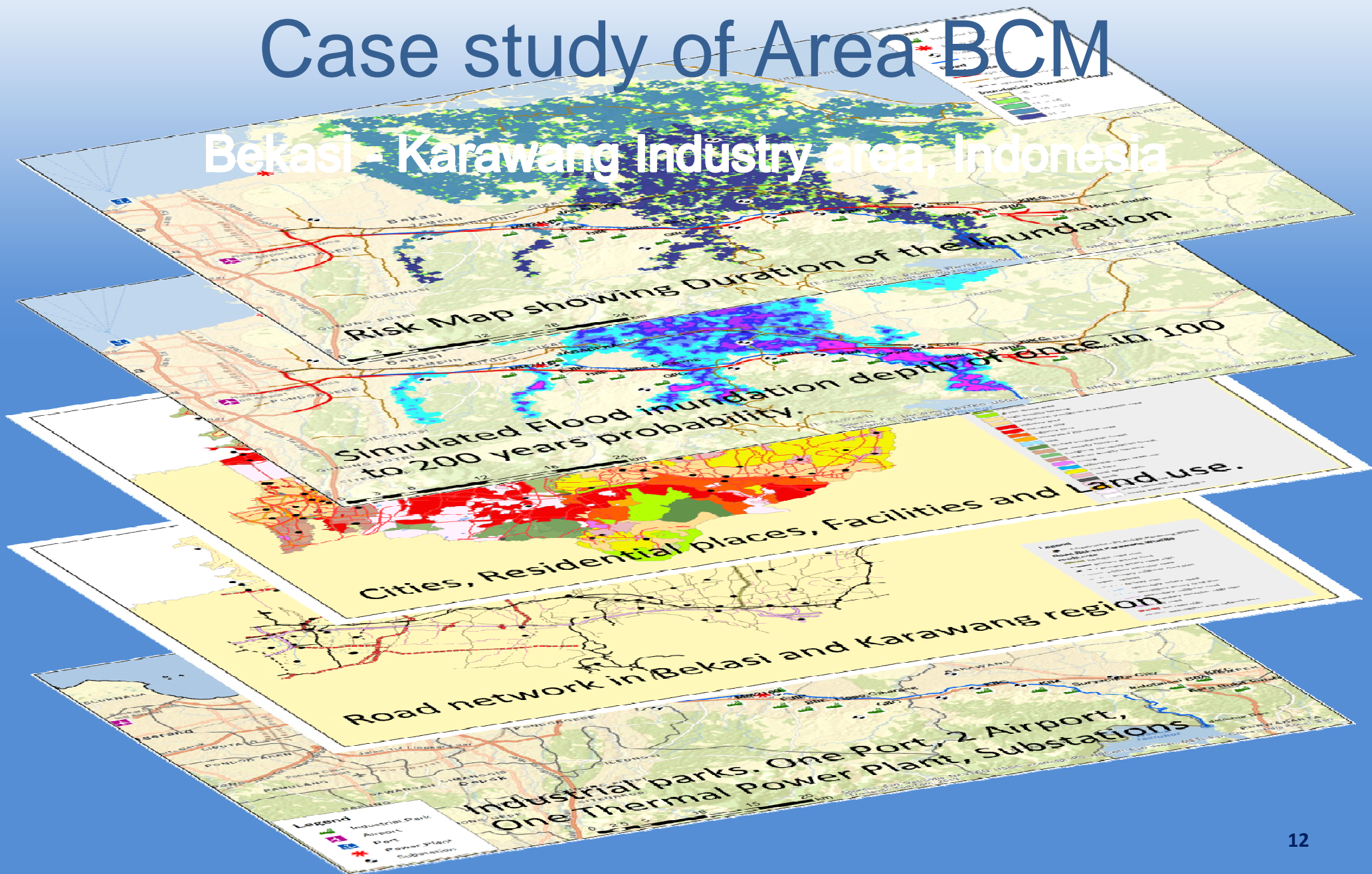


What are the Benefits of Area BCM?



Case study of Area BCM

Bekasi - Karawang Industry area, Indonesia



Case study of Area BCM

Scenario for BIA, Bekasi - Karawang Industry area, Indonesia

Buildings in industrial park

- Karawang City and surrounding area is inundated more than 2 weeks.
- Industrial parks however are not inundated, facilities are not damaged.

Electric power and Lifelines

- Two Substations in Karawang City are inundated over 2m depth and stop the operation for two weeks.
- Some of base stations of telephone and mobile phone stop the operation because of the shortage of electric power.

Transportation infrastructure

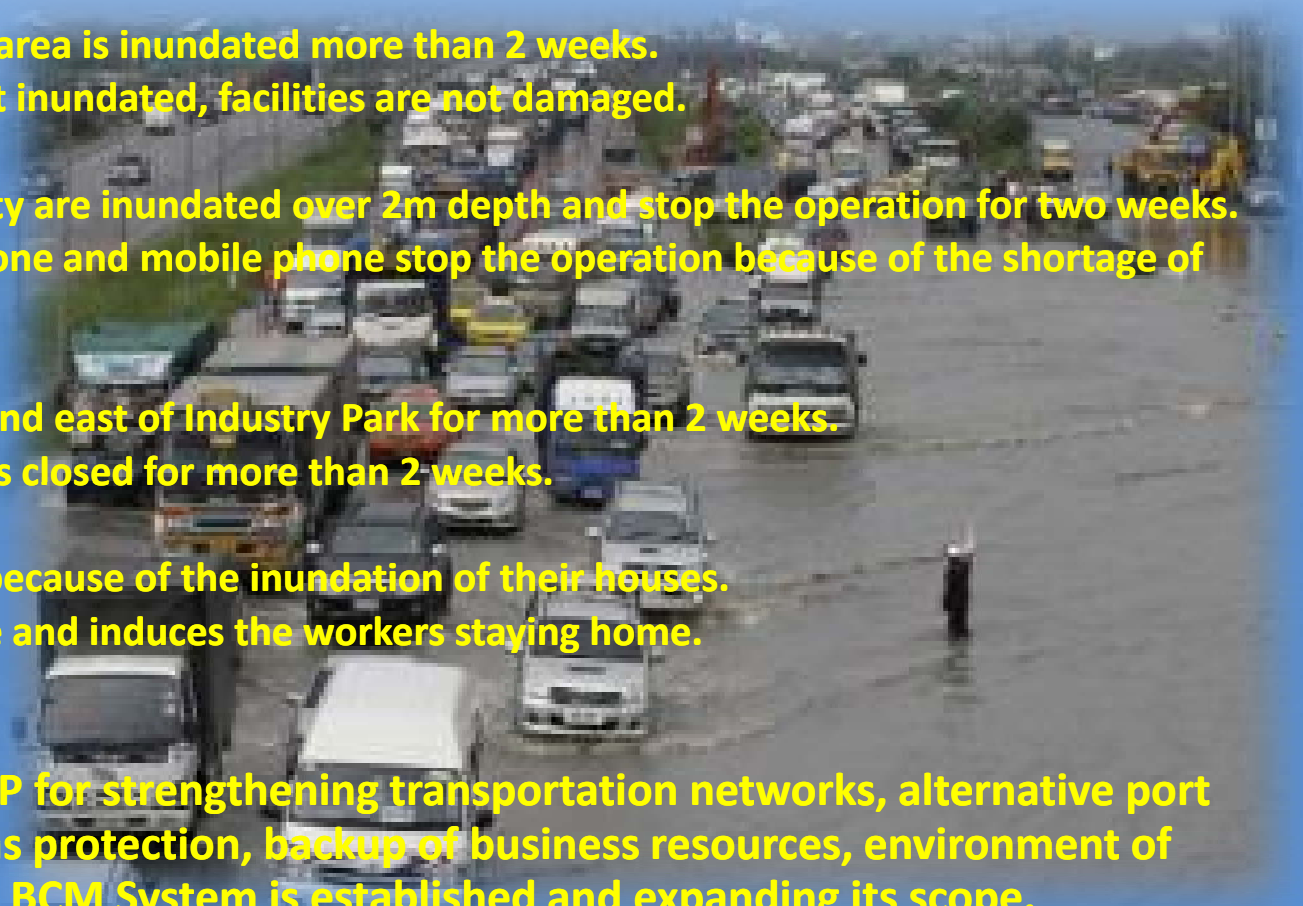
- Freeway is closed both in west and east of Industry Park for more than 2 weeks.
- Primary Road in Karawang City is closed for more than 2 weeks.

Workers of Industrial Parks

- Many employee will be absent because of the inundation of their houses.
- Traffic condition becomes worse and induces the workers staying home.



Stakeholders are formulating BCP for strengthening transportation networks, alternative port development, power sub stations protection, backup of business resources, environment of stranded workers, etc. The Area BCM System is established and expanding its scope.



How the Area BCM guide you?

Applied methodology in the pilot areas will be summarized to be disseminated for guiding any local economy to raise resilience to disasters.

JICA Study and Expert Panel of Japan and ASEAN



Area BCP Workshops in Pilot Areas

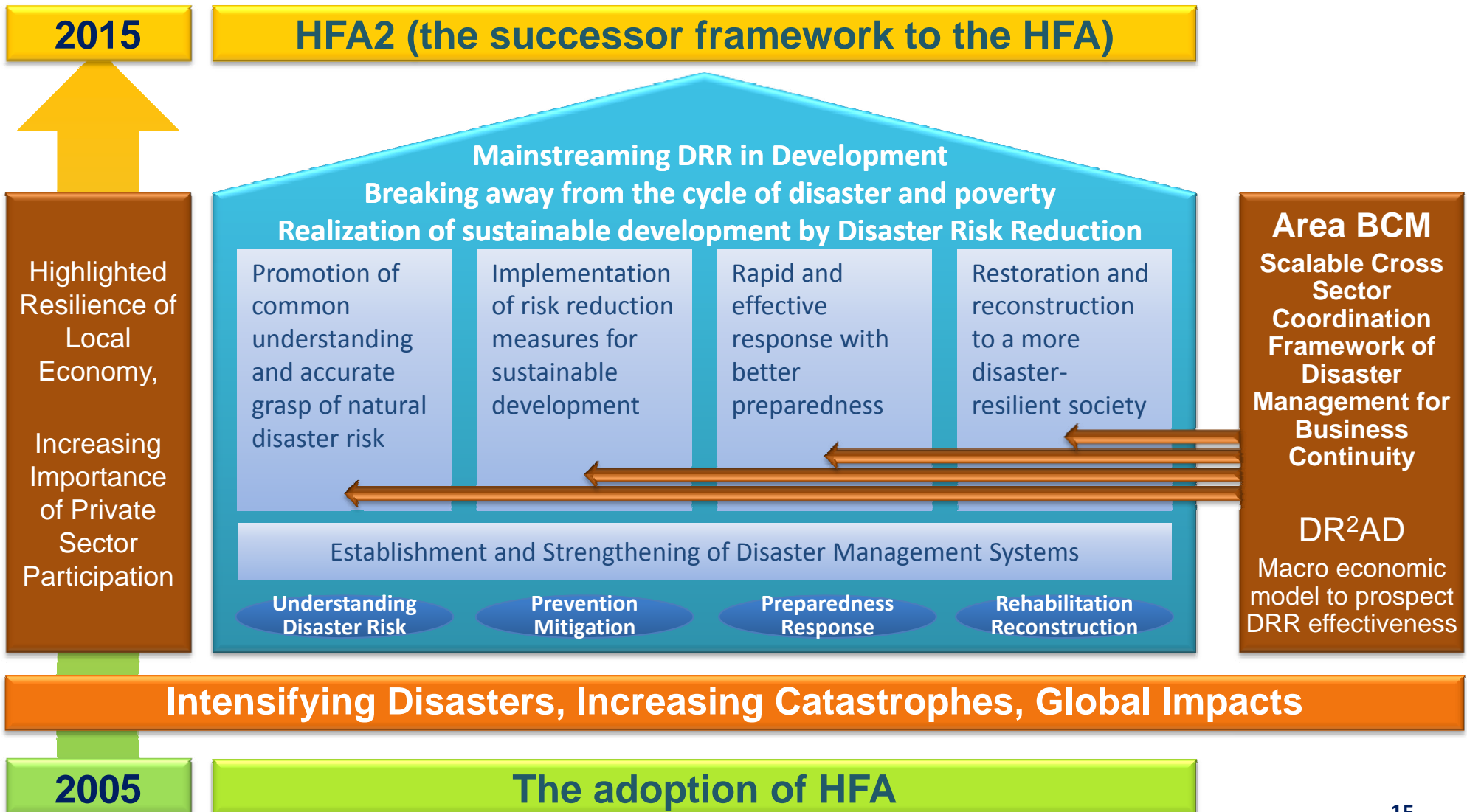


Seminars on Area BCM



Guide on
Area
Business
Continuity
Management

Where is the Area BCM going?



Thank you

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