

National Bank of the Republic of North Macedonia



BUSINESS CONTINUITY POLICY of the National Bank of the Republic of North Macedonia

September 2011

Pursuant to Article 47 paragraph 1 item 9 of the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 158/10), the National Bank of the Republic of North Macedonia Council has adopted the following

POLICY
BUSINESS CONTINUITY POLICY
of the National Bank of the Republic of North Macedonia¹

I. General provisions

1. The Business Continuity Policy of the National Bank of the Republic of North Macedonia (hereinafter: BCP) shall set forth a framework for efficient and coordinated activities to preserve the reputation and vital functions of the National Bank of the Republic of North Macedonia (hereinafter: National Bank), as well as the method of ensuring the National Bank business continuity in crisis.
2. The purpose of the BCP is to identify potential risks and threats to the normal National Bank operations, to ensure business continuity and security of the National Bank employees in crisis.
3. Crisis referred to in item 1 of this Policy shall denote a situation of impaired functions and business processes in the National Bank, or an event that endangers security causing human losses, or financial and reputational damage to the National Bank.
4. The National Bank operations in the state of war shall be regulated by the National Bank special acts, in accordance with the Law on Defense and regulations that have the effect of a law pertaining to operations in a state of war.
5. The BCP shall minimize disadvantages originating from:
 - a) vague and inappropriate defining of the roles and the responsibilities of the participants responsible for ensuring business continuity, which can lead to unsuccessful decision-making and to conflict;
 - b) loss of valuable time if the participants are not aware of the measures to be undertaken in crisis;
 - c) weak internal communication during a crisis that can result in large-scale damages in the operations;
 - d) weak external communication which may destroy the National Bank reputation.

¹ Unofficial revised text of the Business Continuity Policy of the National Bank of the Republic of Macedonia P. No. 02-15/IX-4/2011 dated 15.09.2011 amended and supplemented on 28 November 2013, P. No. 02-15/XIII -1/2013, amended on 24 March 2016, P. No. 02-15/III-1/2016, Decision amending the Business Continuity Policy of the National Bank of the Republic of North Macedonia D. No. 02-15/IV-4/2020 of 20 March 2020, amended on 4 June 2021 P. No. 02-15/VIII-1/2021 and amended on 30 September 2022, P. No. 02-15/XVI-1/2022.

II. Ensuring business continuity in the National Bank

6. For the purpose of organized and timely protection of the employees and the material goods from the crisis, the National Bank shall establish:

- a) Crisis Centre (hereinafter referred to as: CC);
- b) Six crisis groups (hereinafter referred to as: CG);
 - Payment Systems crisis group (PS);
 - Cash Management crisis group (CM);
 - Financial Market Operations crisis group (FM)
 - Information Technology crisis group (IT);
 - Financial, Accounting and Control crisis group (FAC)
 - Crisis group for other organizational units (OU);
- c) Business Continuity Manager (hereinafter referred to as: BCM).

Crisis Center

7. During a crisis, the CC shall be the highest decision-making and management body in the National Bank, in terms of decision-making for the implementation of activities related to the crisis.

CC shall consist of president and four members.

President of the CC shall be the Governor of the National Bank. The members shall have deputies. On proposal of the Governor, the National Bank Council shall appoint the CC members and their deputies for a four-year term.

CC competencies and responsibilities:

- a) proclamation and cancellation of crises;
- b) deciding on the implementation of activities related to the crisis;
- c) reviewing the CGs' reports on damages and implications from crises;
- d) signing agreements with third parties necessary for overcoming the crisis;
- e) approving tests and check-ups of the control systems for efficient BCP implementation;
- f) informing on crises and cooperation with similar crisis bodies of financial institutions or government bodies.

The CC shall have an alternative location to perform its operations, as long as the primary location is inaccessible.

The CC members shall meet at least once a year to monitor the the BCP implementation and to revise the BCP and the underlying internal acts.

The CC operations shall be regulated by rules of procedures.

Crisis groups

8. To organize operations in crisis, the National Bank shall establish crisis groups.

Each crisis group shall consist of a head and at least four members:

a) PS crisis group:

- manager of the Payment Systems Department in the capacity of head of the CG;
- representatives of departments and organizational units whose operations and tasks depend on the services provided by the Payment Systems Department;
- representatives of departments and spacial organizational units who provide services necessary for the Payment System Department operations;

b) IT crisis group:

- manager of the Information Technology Department in the capacity of head of the CG;
- representatives of departments and organizational units whose operations and tasks depend on the services provided by the Information Technology Department;
- representatives of departments and organizational units who provide services necessary for the Information Technology Department operations;

CM crisis group:

- manager of the Cash Management Department in the capacity of head of the CG;
- representatives of departments and organizational units whose operations and tasks depend on the services provided by the Cash Management Department;
- representatives of departments and organizational units who provide services necessary for the Cash Management Department operations;

FM crisis group;

- manager of the Financial Market Operations Department (hereinafter: FM Department) in the capacity of head of the CG;
- representatives of departments and organizational units whose operations and tasks depend on the services provided by the FM Department;
- representatives of departments and organizational units who provide services necessary for the FM Department operations;

FAC crisis group:

- manager of the Finance, Accounting and Control Department (hereinafter: FAC Department) in the capacity of head of the CG;
- representatives of departments and organizational units whose operations and tasks depend on the services provided by the FAC Department;
- representatives of departments and organizational units who provide services necessary for the FAC Department operations;

OU crisis group;

- manager of the Technical Maintenance and Security Department in the capacity of head of the CG;
- managers of other departments not included in sub-items a), b), c), d), and e), the Head of the Governor's Office, the Chief Internal Auditor, the Chief Officer / the Chief Legal Officer from the Strategy and

Prevention Office, the Chief Information System Supervisor and the person authorized by the Governor who manages the special organizational units National Bank Museum and National Bank Library and Archive.

The CG head and members shall have deputies.

The head, the members of the crisis groups and their deputies shall be appointed by the Governor of the National Bank.

The CG meetings shall be convened by the head of the CG. Each member of the CC, CG, or BCM may request a meeting to be convened.

The crisis groups shall be responsible for:

- a) determining the state (scale) of crisis or accident;
- b) reporting on the necessary measures for staff security;
- c) estimating damages and implications for the National Bank;
- d) suggesting CC to proclaim state of crisis and to take necessary measures for minimizing the implications;
- e) proposing Disaster Recovery Plan within its jurisdiction;
- f) suggesting reduced scope of operation in a state of crisis;
- g) regular reporting to the CC on the current state and the progress in overcoming the crisis;
- h) drafting and submitting a final report to the CC on the occurrence and the overcoming of the crisis;
- i) cooperation during the preparation for BCPs testing and conducting tests and simulations of the BCP within the respective jurisdiction.

Each CG head shall:

- g) propose members of the crisis group;
- h) organize and coordinate the crisis group activities;
- i) identify the interdependence between critical business functions/processes;
- j) foster cooperation with other crisis groups in the National Bank;
- k) organize the work of business recovery workgroups (BRW);
- l) give proposals for revision of the disaster recovery plans within own crisis group;
- m) initiate and conduct BCPs testing;
- n) draft reports on crisis tests and simulations and submit them to the business continuity manager;
- o) draft annual reports on their jurisdiction and give suggestions and considerations for future activities to the business continuity manager and the Governor of the National Bank;
- p) participate in the preparation of plans for new areas (new facilities, new services and alternatives).

Recovery workgroups

9. The head of the crisis group may, if applicable, request from the CC to establish a business recovery workgroup (BRW) consisted of National Bank employees.

The CC may also include external associates in the BRW to execute work orders for overcoming crises.

Business Continuity Manager in the National Bank (BCM)

10. The chief and deputy information security, personal data and classified information protection officers at the Strategy and Prevention Office shall be business continuity managers (BCM). The BCM shall be independent in his/her work and shall report to the Governor of the National Bank.

BCM tasks and responsibilities:

- a) implementation of BCP in cooperation with the heads of the crisis groups;
- b) providing compliance and completeness of the business continuity plans and the relevant internal acts;
- c) coordination of all crisis groups in a crisis state;
- d) testing and proposing additional BCP objectives and strategies in line with the National Bank business strategy;
- e) providing expert and technical assistance to the CC;
- f) drafting annual reports and proposing annual activities which are submitted to the Governor of the National Bank;
- g) monitoring and coordination of the BPC testing and verification;
- h) *Subitem h) shall be deleted;*
- i) conducting of activities for informing the employees about the importance of the BCP.

BCM and the CG heads shall meet quarterly and inform each other on:

- a) changes introduced in the areas of their jurisdiction;
- b) disadvantages/weaknesses in the areas of their jurisdiction;

11. Tactical managers shall:

- a) identify risks to work processes;
- b) conduct risk monitoring and management;
- c) define the necessary recourses and technical means for functioning with reduced staff number in crisis;
- d) preparation and revision of crisis impact analyses of business processes in the organizational unit (at least once a year);
- e) preparation, revision and testing of the business continuity plans of the organizational unit;
- f) defining of tasks and responsibilities in the organizational unit when functioning with reduced staff number in crisis;
- g) preparation of Instructions for functioning of organizational units in case of IT failure (instructions for manual proceedings);
- h) communication of the Business Continuity Plan to all employees in the organizational unit;
- i) updating lists of contact information about employees in crisis for the organizational unit they manage, including contact information about third parties on whom the work process depend.

12. The National Bank employees shall comply with the BCP and the business continuity and disaster recovery plans of the National Bank.

13. The National Bank applies a Business Continuity Plan composed of business continuity plans of the organizational units of the National Bank. Disaster recovery plans (DRP) shall also be incorporated in the business continuity plans of the respective organizational units.

14. The business continuity plans of the organizational units shall contain:

- a) principles and objectives of the plan;
- b) minimum necessary and technical resources for functioning with reduced staff number in crisis;
- c) crisis impact analysis of all business processes in the organizational unit;
- d) organization and procedure for decision-making and reporting during crisis;
- e) list of all documents related to the plan;
- f) determining crisis levels;
- g) instructions for manual procedures of the organizational units;
- h) activities and conduct of employees in crisis;
- i) alternative location in the National Bank or other business facility;
- j) list of contact information of responsible employees, and
- k) disaster recovery plan of the organizational unit.

III. Communication and informing in the National Bank in a state crisis

15. Public communication in a state of crisis shall rest with the CC. Communication ordered by the CC shall be conducted by an authorized public relations officer. This person shall prepare Communication Plan in a state of crisis.

16. In crisis, when part or the whole Business Continuity Plan of the National Bank is initiated, the heads of the crisis group shall regularly inform the CC on the developments.

IV. Closing provisions

17. The Governor of the National Bank shall adopt internal acts for implementation of the BCP.

18. Once this Policy enters into force, it shall supersede the Business Continuity Policy of the National Bank of the Republic of Macedonia, BCP No. 02-15/VII-2/2006, of 17.07.2006.

19. This Business Continuity Policy of the National Bank of the Republic of North Macedonia shall enter into force on the day of adoption.

**P. No. 02-15/IX-4/2011
15.09.2011
Skopje**

**Dimitar Bogov
Governor

Chairman
of the National Bank of the Republic of
Macedonia Council**