

The Role of Public/Private Partnerships in Protecting Critical Infrastructure

13th Annual Planning Forum

EPICC

John Fowler
Northern Trust Bank
Chairman, ChicagoFIRST
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Government Services



Transportation



Energy



Water



Public Health

Defense Industrial Base



Emergency Services

Chemical Industry

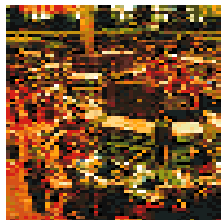


Telecommunications



Agriculture

Financial Services



Postal & Shipping

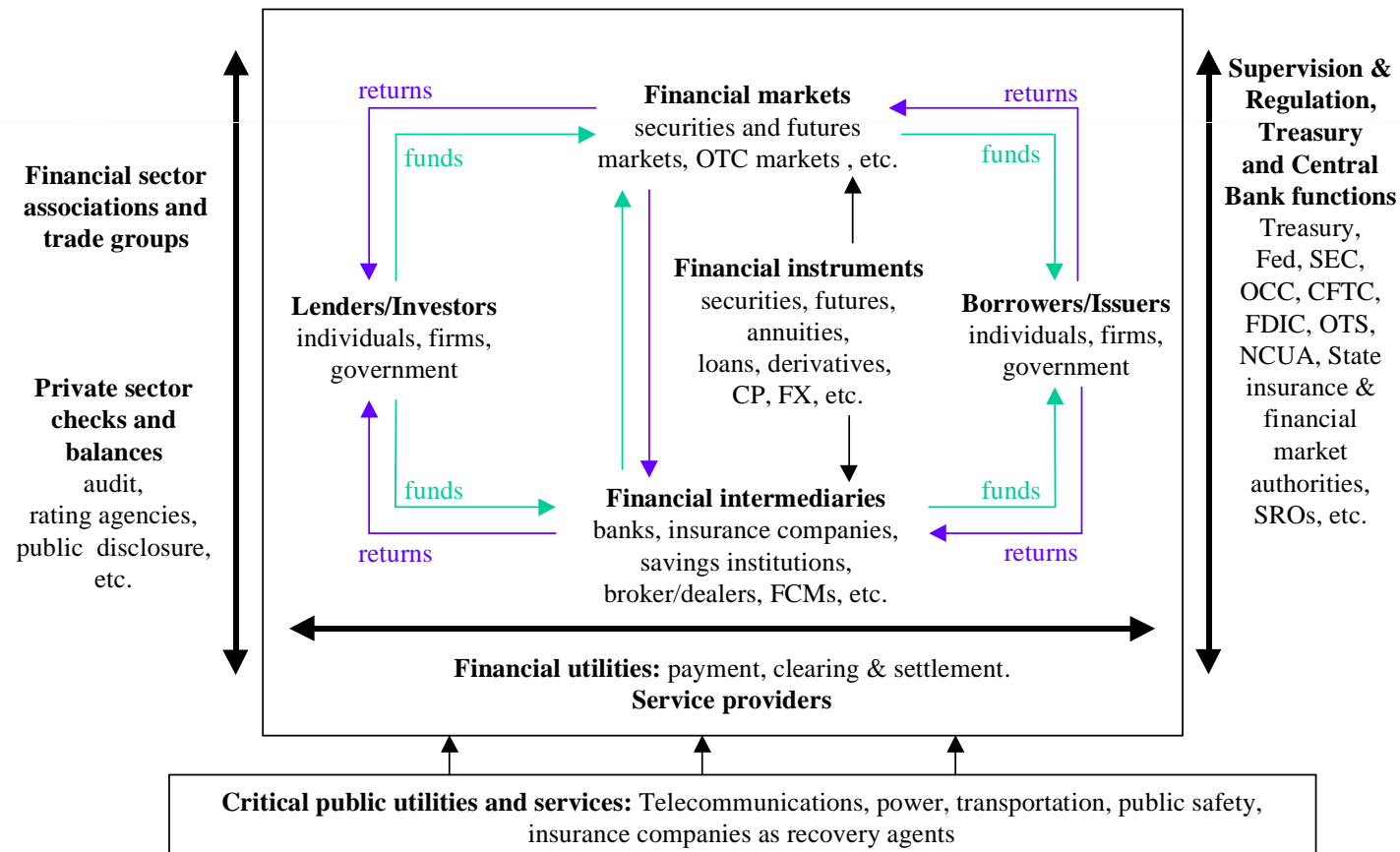


Food

The Financial Sector

OVERVIEW OF THE US FINANCIAL SYSTEM

As of June 3, 2002



Pre-DHS National Public/Private Partnership

Presidential Decision Directive 63

(May 1998)

- ✓ Protect economy from cyber and physical attacks
- ✓ Called for information sharing and analysis centers
- ✓ Lead federal agencies identified for each sector

Executive Order 13231

Critical Infrastructure Protection in the Information Age

(October 2001)

- ✓ Established government committees for cyber security 4

Financial Sector Partnership

Financial and Banking Information
Infrastructure Committee (FBIIC)

(formed January 2002)

Financial Services Sector Coordinating
Council (FSSCC)

(formed June 2002)

FBIIC

PUBLIC SECTOR

President's Working Group
on Financial Markets

US Treasury
Assistant Secretary for
Financial Institutions
FBIIC CHAIR

Financial and Banking Information Infrastructure Committee (FBIIC)

US Treasury Department
Commodity Futures Trading Commission
Conference of State Bank Supervisors
Federal Deposit Insurance Corporation
Federal Housing Finance Board
Federal Reserve Board of Governors
Homeland Security Council
National Association of Insurance
Commissioners
National Credit Union Administration
New York Federal Reserve Bank
Office of the Comptroller of the Currency
Office of Federal Housing Enterprise Oversight
Office of Thrift Supervision
Securities and Exchange Commission

FSSCC

PRIVATE SECTOR

Treasury - Lead Agency
(PDD 63)

Assistant Secretary for
Financial Institutions
SECTOR LIAISON

George Hender
SECTOR COORDINATOR

Financial Services Sector Coordinating Council for CIP/HLS

Financial Services Trade Associations
& Institutes
New York Stock Exchange
The Clearinghouse
FS/ISAC
Securities Industry Automation Corporation
The Options Clearing Corporation
ChicagoFIRST
NASDAQ
AMEX
ASIS



DHS National Public/Private Partnership

Homeland Security Presidential Directive 7 *(December 2003)*

- ✓ Rescinds Presidential Decision Directive 63
- ✓ Retains Lead Agencies
- ✓ Establishes Government Coordinating Committees
- ✓ Establishes Sector Coordinating Committees

Adopted the financial sector structure



Role of Regional Public/Private Partnerships

Role of Regional Public/Private Partnerships

All disasters are local, but

Do financial institutions know.....

- How will your local jurisdiction prevent, prepare for, respond to, and recover from incidents?
- How does your jurisdiction coordinate with the state and federal public safety agencies?
- What are their limitations?
- Where possible, business continuity plans should incorporate government response plans.

Role of Regional Public/Private Partnerships

Why can't government assume this role?

- They don't own and operate most critical infrastructure
- Many don't understand how emergencies affect critical infrastructure

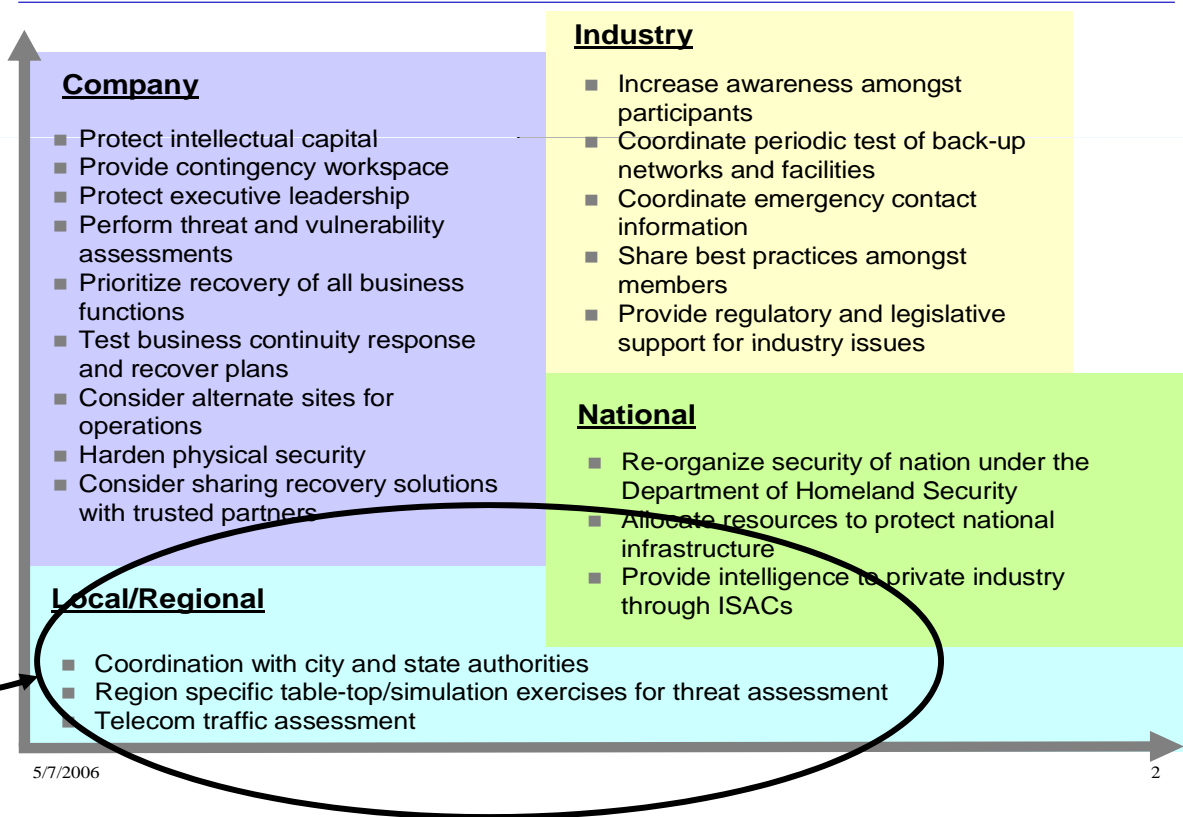
Private Sector Has a Role & a Responsibility:

- Large corporations or institutions have the necessary political capital and credibility
- Organizations with resources have a responsibility to prepare
- Sectors have the necessary expertise and experience
- An emergency is not the time to exchange business cards

Filling a Gap

Local/Regional Partnerships to increase the resilience of financial services in the event of a regional disaster in collaboration with the city, state, and federal agencies.

Protecting the financial services sector requires collaboration at all levels of business and government.



A blurred background image of the Chicago skyline, featuring prominent skyscrapers like the Willis Tower. The image is overlaid with a light blue gradient and a dark blue horizontal bar at the top.

The ChicagoFIRST Approach

Financial Industry Resilience and Security through Teamwork

A crisis is no time to exchange business cards 12

ChicagoFIRST's Primary Objectives

- Obtain a seat at Chicago's Joint Operations Center in the event of a crisis that affects Chicago's financial community
 - ✓ *LaSalle Bank/ABN AMRO*
- Create permits/passes for essential personnel to safely access business facilities in the event of a general evacuation of the city (credentialing)
 - ✓ *Northern Trust Bank*
- Develop and communicate standard evacuation procedures for industry personnel to exit city limits in the event of a disaster
 - ✓ *JP Morgan Chase (previously Bank One)*

Members

- Allstate Insurance Company
- Aon
- Ariel Capital Management
- Bank of America
- Chicago Board Options Exchange
- Chicago Federal Home Loan Bank
- Chicago Stock Exchange
- Chicago Trading Company
- Citadel Investment Group
- CME Group
- CNA
- Cole Taylor Bank
- Fidelity National Financial
- Global Electronic Trading Company
- Goldman Sachs
- Harris Bank
- JP Morgan Chase
- MF Global
- MB Financial
- Mesirov Financial
- Mizuho Securities USA
- Northern Trust
- Nuveen Investments
- NYSE Group
- The Options Clearing Corporation
- PrivateBank and Trust
- UBS
- Washington Mutual
- William Blair & Company

Strategic Partners (pg. 1 of 2)

- Chicago Office of Emergency Management and Communications
- Chicago Fire Department
- Chicago Police Department
- Commodity Futures Trading Commission
- FBI / InfraGard
- Federal Deposit Insurance Corporation
- Federal Emergency Management Agency
- Federal Reserve Bank of Chicago
- Financial and Banking Information Infrastructure Committee
- Financial Services Information Sharing and Analysis Center
- Financial Services Roundtable / BITS
- Financial Services Sector Coordinating Council
- Futures Industry Association

Strategic Partners (pg. 2 of 2)

- Great Lakes Partnership
- Illinois Department of Financial and Professional Regulation
- Illinois Emergency Management Agency
- Illinois State Police
- Illinois Terrorism Task Force
- National Futures Association
- Office of the Comptroller of the Currency
- Securities and Exchange Commission
- Securities Industry Association
- United States Attorney's Office for the IL Northern District
- United States Department of Homeland Security
- United States Department of the Treasury
- United States Postal Inspection Service
- United States Secret Service

Officers

- **John Fowler, Chair**

Senior VP & Director, Global Business Continuity and Recovery Services, *Northern Trust Bank*

- **Don Serpico, Vice Chair**

Managing Director, Globex Control Center and Technology Integration, *CME Group*

- **Lisa Adams, Treasurer**

Senior Vice President, *Bank of America*

- **Peter Nagle, Secretary**

Chief Information Officer, *Mesirow Financial*

A blurred background image of the Chicago skyline, featuring various skyscrapers and buildings. A solid blue horizontal bar is positioned at the top of the slide, and a thin dark blue line is located just below it.

ChicagoFIRST Activities: Achieving Our Initial Goals

Formal JOC Seat

- Obtained seat at the Joint Operations Center in fall 2003
 - ✓ Primarily for government agencies
 - ✓ May use seat when Center is activated
- Enhancements to seat at emergency operations center
 - ✓ Set of individuals to staff the seat (with Chicago Fed help)
 - ✓ Handbook with protocols for using the seat, activating our crisis communicator, and contact information
 - ✓ Private component of web site created and configured to provide a message board for posting and recording critical information
 - ✓ Information about the membership, including critical locations and essential employees, on the computer at the seat

Informal Information Sharing

- **Seat at 911 Center will be used rarely, but the resulting relationships with the city and state are invaluable**
 - ✓ Spring 2004 information about leaning transmission tower
 - ✓ August 1, 2004 threats against financial institutions
 - ✓ LaSalle Bank fire, December 2004


Credentialing and Evacuations

■ Credentialing

- ✓ Discovered city and state each seeking credentialing systems, but not coordinating
- ✓ City adopted credentialing pilot in which ChicagoFIRST participates; working with the State of Illinois on a DHS credentialing system

■ Evacuations

- ✓ Illinois Department of Transportation tabletops in 2004 and 2005
- ✓ Sought and helped implement downtown evacuation drill in September 2006



Additional Activities & Projects

Working Groups

- **Security Working Group**

- ✓ Coordinating training needs and opportunities
- ✓ Coordinating security guard needs and options
- ✓ **Piloted NC4 Situation Awareness Service**

- **Best Practices Working Group**

- ✓ Learning BCP tips from one another
- ✓ Implementing mutual aid

Working Groups

- **Telecommunications Working Group**

- ✓ Educating membership

- GETS

- TSP

- SBC call forwarding

- ✓ Surviving a central office failure

- **TeleContinuity**

- LEMKO

- Sprint IP network

Working Groups

- **Public Relations Working Group**

- ✓ Single point of contact for the media
- ✓ Firms leverage membership with press
- ✓ ChicagoFIRST increases media understanding

- **Crisis Communications Working Group**

- ✓ Quarterly tests of the 911 Center procedures
- ✓ **Quarterly tests of Send Word Now** (notification system)
- ✓ Quarterly tests of TeleContinuity and GETS

Working Groups

■ **Pandemic Working Group**

- ✓ Free exchange of HR, legal, and BCP information, without NDAs
- ✓ Coordinating with state and local health departments
- ✓ Major tabletop
- ✓ HR workshop
- ✓ HR tabletop
- ✓ Sector pandemic exercise
- ✓ Addressing telecommuting issues at national level

Milestones

- Testimony before House Financial Services Committee
- Recognized as a model public/private partnership:
 - 9/11 Commission legislation
 - GAO Report on Financial Market Preparedness
 - Treasury handbook for Regional Coalitions
- Multi-sector Tabletop Exercises
- Public television features ChicagoFIRST
- DHS-sponsored interdependencies initiative



**More
Regional Partnerships
Are Forming.....**

Regional Partnerships: Formed and Forming

- Existing Partnerships

- ✓ Miami (FloridaFIRST)
- ✓ Tampa (FloridaFIRST)
- ✓ San Francisco (BARC*first*)
- ✓ Los Angeles (SoCal*first*)
- ✓ Minneapolis (MN-ISAC; MN Security Board)
- ✓ HoustonFIRST
- ✓ DeValFIRST (Philadelphia and Delaware Valley)
- ✓ DFW*first* (Dallas/Fort Worth)
- ✓ Alabama Recovery Coalition for the Financial Sector
- ✓ NCR*first* (National Capital Region (Washington, DC))
- ✓ HawaiiFIRST
- ✓ Chicago (ChicagoFIRST)

Regional Partnerships: Formed and Forming

- Developing Partnerships
 - ✓ Colorado
 - ✓ Missouri
 - ✓ Seattle
 - ✓ North Carolina
 - ✓ Nashville
 - ✓ Arizona
 - ✓ Georgia

Coalition of Partnerships

- Establishment of Regional Partnership Council
 - ChicagoFIRST led the formation of *RPCfirst*
 - Council members share best practices
 - Council members help one another with administrative questions
 - Council plugs into the national public/private partnership
 - Quarterly conference calls in 2006
 - First in-person meeting last April at the Treasury Dept.
 - Formed in early 2006
- Serves as a forum for pandemic preparation
- Learn more at www.rpcfirst.org

RPC*first*

- An in-person meeting in April at Treasury
- Plug the partnerships into the national structure
 - ✓ Treasury DAS Parsons
 - ✓ DHS AS Stephan
 - ✓ DHS credentialing system
 - ✓ FSSCC presentation on the partnership
 - ✓ Telecommunications industry on pandemic telecommuting
 - ✓ Power industry presentation on priority restoration
 - ✓ Background on GETS, WPS, TSP, HSIN, and FS/ISAC
- Educate DHS about the partnership structure within the financial sector

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