

Request for Proposal: WISE2025

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Hong Kong Financial Services
Business Continuity Management (HKFSBCM) Ltd.



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Introduction and Background

The Hong Kong Financial Services Business Continuity Management (“HKFSBCM”) Forum is a group of business continuity and resilience professionals employed in a wide cross-section of Hong Kong firms in the financial services industry of Hong Kong, including banking, insurance, securities, asset management, etc. HKFSBCM is registered as a Society and also as a company limited by guarantee (not-for-profit).

HKFSBCM aims to collaboratively address the topics within business continuity, crisis management and operational resilience for the financial industry. Meetings are held monthly to discuss current affairs, the risk and threat landscape, regulatory requirements and best practices. Surveys and benchmarking exercises may also be undertaken by members to gain industry insights. The strength of the HKFSBCM network enables members to connect quickly with peers when a real crisis occurs, which has proven valuable during past events such as the 2019 Hong Kong protests and the 2020-2022 global pandemic.

One of the key initiatives delivered by HKFSBCM is the biennial Whole Industry Simulation Exercise (“WISE”). This is an industry-wide crisis management exercise which brings together participating firms to respond to a large-scale crisis situation that systemically impacts Hong Kong’s financial services. While the focus is largely on each firm’s internal crisis management capabilities, WISE offers the opportunity to observe and share across firms. Similar industry-wide exercises include SIFMA’s Quantum Dawn exercises facilitated from the US and Singapore MAS’s Raffles / Industry Wide Exercise (“IWE”).

The Board of HKFSBCM is now seeking an organizer for WISE2025 and will be inviting proposals in response to this RFP. The vendor is expected to execute the full front-to-back crisis simulation within an agreed budget by the agreed timeline. While price is a key consideration, other criteria will form the basis of the award decision as described below in the Evaluation Factors section.

Past WISE Events

Below is a summary of the past WISE events starting from 2013.

| Year | Description |
|------|--|
| 2013 | The inaugural exercise was smaller in scale and involved a group of financial institutions that each – individually but simultaneously – responded to a simulated unfolding pandemic crisis. |
| 2015 | The second exercise was larger in scale and included a simulated wide-area transport disruption followed by a serious internet disruption and data leakage. Senior crisis management teams (CMTs) across 25 financial institutions participated with the aid of 30+ professional |

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| | volunteers behind the scenes to ensure the 4-hour real-time exercise ran smoothly. WISE2015 was organized, developed and delivered by HKFSBCM with the support of a few consultancies on a pro-bono basis. Expenses for equipment and technical services were covered by a small participation fee levied on all participating firms. |
| 2017 | The third exercise saw an increase in participation with 45 financial institutions, aided by the HKMA's strong encouragement for its member banks to take part. Again, each firm's CMT would provide their responses to an unfolding incident, this time on potential cyber threats and a physical terror attack. |
| 2019 | The fourth exercise tested participants with an extensive list of scenarios: a swine flu pandemic, market volatility, critical national infrastructure failure, insider-led cyber attack, and deepfake media. During the simulated 3-hour exercise, each CMT was connected to the central command and control center (CCC) which released newscasts, emails, social media, and market data in real-time. In addition, there were telephone injects which required CMT members to send their responses to regulators and external clients. |
| 2021 | HKFSBCM members voted and agreed to skip this exercise as firms were managing a live incident with Covid-19. |
| 2023 | The fifth exercise saw WISE evolve again to consider testing a "severe but plausible scenario". Cyber threats loom large, with the potential to affect financial institutions and the third parties they rely on. A shift in regulation has driven banks to look at how such scenarios are causing intolerable harm to the financial sector. New Operational Resilience guidelines were issued which require financial institutions to protect critical customer services by (1) understanding from an end-to-end perspective which processes, third parties and assets support service delivery, (2) establishing impact tolerances, and (3) using severe but plausible scenarios to assess whether existing controls can ensure impact tolerances are not breached. |

Submission Guidelines and Requirements

The following submission guidelines and requirements apply to this RFP:

1. Only qualified firms with prior experience delivering similar and/or relevant projects should submit proposals to this RFP.
2. Bidders intent on submitting a proposal should notify HKFSBCM by email (wise@hkfsbcm.org) no later than end-of-day on **14 March 2025**.
3. Bidders must list at least two projects that are similar in nature to WISE, including references for each one.
4. A technical proposal must be provided that does not exceed 10 pages but includes:
 - a) An overview of the proposed solution, as well as résumés of all key personnel performing the work;
 - b) A Target Operating Model; and
 - c) A proposed schedule with milestones.
5. A cost proposal must be provided that does not exceed 2 pages but includes:
 - a) The overall total fixed price for the project;
 - b) Any estimated expenses above and beyond the fixed price for the project or project segments; and
 - c) Hourly rates and estimated total number of hours, should the Board of HKFSBCM decide to award a contract on an hourly basis.

6. Proposals must be signed by a representative who is authorized to commit the bidder's company and submitted digitally via email to wise@hkfsbcm.org.
7. If you have a standard set of terms and conditions, please submit them with your proposal. All terms and conditions will be subject to negotiation.
8. Proposals must be received by end-of-day on **28 March 2025** to be considered.
9. Proposals must remain valid for a period of 60 calendar days.

The Board of HKFSBCM anticipates selecting at least two firms for in-person presentations to enable more detailed discussions. An award decision will be made on one of the shortlisted firms.

Project Description

The “project” is WISE2025, an industry-wide tabletop crisis management exercise for the financial services industry in Hong Kong. Details of the project include:

1. The key **objectives** cited by HKFSBCM members to participate in WISE2025 include:
 - a) Practice responding to an incident in coordination with other financial institutions in Hong Kong.
 - b) Practice responding to a systemic threat facing Hong Kong financial services organisations.
 - c) Meet Operational Resilience requirements (i.e., HKMA OR-2, scenario testing).
 - d) Meet Business Continuity regulations (i.e., HKMA TM-G-2, etc.).
 - e) Explore and identify interdependencies in the financial services industry.
 - f) Evaluate the comparative maturity of the participants' crisis preparation and response.
2. In a **tabletop exercise** format, the CMT in each participating organization gathers on a pre-announced date and time at their premises to participate in the exercise. What the members do not know is the scenario and how the scenario will unfold. The CMT learns of the simulated events of a crisis through injects delivered via situational reports, emails, phone calls, newscasts, social media, etc. Members are expected to role-play, make decisions, respond and execute commands as if it were a real incident but no real actions are to be taken – for example, members will not evacuate the building or activate a recovery site.
3. In an **industry-wide** exercise, one simulation team at a central command center sends injects to all the participating CMTs simultaneously. (Each CMT convenes at its respective premises.) The central team reviews returning injects for quality and effectiveness within

the response, and reacts by altering the pace and challenge of the scenario for an individual CMT if needed.

4. The vendor is expected to have sufficient expertise to develop a challenging scenario that educates the industry and challenges the CMT response. The **themes and scenarios** in focus for WISE2025 could include some/all of the following:
 - a) Cyber threats, creating a systemic impact to the financial industry (eg., DDOS attack, phishing attack, web portal defacement, data theft and disclosure of sensitive data, social engineering, ransomware/extortion, IT service/data center disruption)
 - b) Third parties (i.e., a loss of third party that supports the participating firm), could be combined with a cyber threat
 - c) Critical infrastructure failure in Hong Kong
 - d) Wide-area network impact (i.e., undersea cable issues)
 - e) Financial services industry-wide industrial action
 - f) Impact of unavailability of an offshore delivery centre or vendor

The scenario will be developed together with the HKFSBCM Project Team (i.e., board members of HKFSBCM), and the vendor will not disclose this to any of the participants or to any other party prior to the exercise.

5. The **injects** will be mainly distributed through a live web portal with newscasts, social media, etc. Phone calls and emails can also be considered.
6. The **exercise date** will be from late-Oct to mid-Nov 2025. Bidders may propose an earlier or later date which would be evaluated accordingly. A back-up date for the exercise should also be proposed after the proposed exercise date. Toll gates will be discussed between the project start and delivery to ensure both HKFSBCM and the successful bidder are confident to proceed with the project.
7. The **duration** of the exercise has historically been set to ~4 hours, and a half day exercise continues to be the preferred option for most HKFSBCM members. The 4 hours should offer a simulated period with one or more time jumps over an extended period, where injects may focus on multiple incidents with increasing severity over time. This allows CMTs to practice their decision-making, response coordination with other firms, and logistics of running one or more meetings.
8. Each participating firm needs to assign their own **facilitator** who will represent WISE2025 at each CMT location. The facilitator will ensure – the technical setup of the web portal is functioning; the CMT members are invited, engaged and well-briefed; prompt discussion

questions are raised when needed; and facilitation of the evaluation process. The facilitator will not be part of the CMT and will not chair the meeting.

9. **Potential participants** may include Hong Kong-based branches or subsidiaries of:
 - a) Banks
 - b) Securities brokers
 - c) Asset managers
 - d) Insurance companies
 - e) Exchanges or clearing houses
 - f) Financial sector authorities
 - g) Market data providers

10. Given the range of business activities can vary by sector, preference will be given to vendors who can provide a flexible platform to deliver relevant injects to different participants.

The successful bidder will be responsible for the entire **front-to-bank organization of the exercise**, which includes but is not limited to:

1. Project office:
 - a) Organise regular progress meeting with HKFSBCM Project Team and publish meeting minutes, action lists and progress reports.

2. Marketing and registration:
 - a) Publicity, information and direct marketing to encourage banks to participate.
 - b) Liaise or facilitate liaison with a wide range of stakeholders, such as relevant financial authorities, industry bodies and groups, relevant market parties (such as Hong Kong Exchange) and market data providers, IT infrastructure, public transport, building management, first responders, etc.
 - c) Registration, confirmation and any related follow-ups with/from the participants.

3. Financial management:
 - a) General management of revenues and expenses.
 - b) All financial transactions related to WISE2025 will flow through the HKFSBCM bank account.
 - c) The Board of HKFSBCM and its Treasurer will oversee all the financial transactions through the bank account as per standing procedures and authorisations.

4. Facilitator support:

- a) Brief and train facilitators on their roles, responsibilities and tasks in a timely and comprehensive manner.
 - b) Provide facilitators with relevant materials in a timely manner, including back-up materials.
 - c) Host one or more training and development sessions to upskill facilitators. Topics can include best practices for organizing/running a CMT, effective minute taking and documentation (including templates), managing discussions and achieving outcomes, etc.
5. Scenario development:
- a) The scenario must be developed by the vendor, in collaboration with subject matter experts to make it realistic and fit-for-purpose.
 - b) Various relevant subject matter experts should be consulted. HKFSBCM can assist with a network of organisations and individuals.
 - c) The final scenario must be developed in collaboration with and approved by the Board of HKFSBCM and WISE2025 Project Team.
6. Inject development:
- a) Tailored injects for potentially a range of industry segments will need to be considered. The injects should also consider the maturity of the participating CMT – i.e., mature organisations can take the injects further in their discussions and responses while less mature organisations will have more basic responses.
7. Technology:
- a) For WISE2015, WISE2017, WISE2019, and WISE2023, live portal technology was used during the exercise. The vendor is expected to make all the arrangements for the live portal technology or equivalent.
 - b) Expenses related to the live portal technology can be included in the proposal as a project management resource.
8. Command center coordination:
- a) The central command center (CCC) is the epicenter of the exercise delivery on the day of the exercise. The vendor will coordinate different teams and roles at the CCC, including but not limited to general coordination, trusted agents, subject matter experts, inject controllers and technical support.
 - b) The vendor is expected to provide staff to fulfill the above-mentioned roles at the CCC and provide all CCC participants with the appropriate training to perform their roles effectively. If needed, HKFSBCM can assist in providing volunteers for these roles from within the forum community.

- c) As part of the proposal, the vendor will provide, or arrange to have provided, a suitable location for the CCC and equipment setup. Expenses regarding these arrangements, if any, must be included in the proposal.
9. Post test follow-up / Debrief and report:
- a) The vendor will organize and manage the post-test consolidation of feedback and host a follow-up/debrief session for all participating firms to review the feedback.
 - b) The vendor will produce and distribute the final report no later than 3 months after exercise completion, with the approval of the Board of HKFSBCM.
 - c) The report should include (i) a single overall report that can be shared with all participants and organizers, and (ii) a report specific to each participant which provides benchmarking against industry standards/best practices as well as against all participants. This report will only be provided to each firm.

The successful bidder can expect support from, and is expected to actively leverage volunteers from, HKFSBCM who are all SMEs in the BCM field for financial services.

All intellectual property of the exercise, including but not limited to scenarios, injects, design, logos, briefing and training materials, distribution lists, etc., remains with the Board of HKFSBCM.

Project Scope

The criteria for a successful exercise are outlined below, as WISE2025 aims to:

1. Provide a platform for financial institutions to conduct scenario testing against a severe but plausible scenario to support their Operational Resilience programme and self-assessments while also allowing those financial institutions that wish to do a simpler exercise to also participate with minimal effort.
2. Train and educate senior management and CMTs to deal with the systemic impact of cyber and other threats to the financial sector in Hong Kong.
3. Provide an opportunity for deputy CMT members to participate in crisis management skills training.
4. Allow the CMT to experience the end-to-end response planning when industry-wide interruptions occur.
5. Establish the role of the regulators and other industry organisations – i.e., Hong Kong Monetary Authority (HKMA), Securities and Futures Commission (SFC), Hong Kong Insurance Authority (HKIA), Hong Kong Exchange (HKEx), Hong Kong Association of Banks (HKAB), ASIFMA.

6. Test the coordinated response of the CMT internally as well as with peers in the financial services industry.
7. Communicate between participating financial institutions, regulator(s) and third parties during crisis situations.
8. Enable BCM professionals to gain more experience in planning for and facilitating CMTs.
9. Enable organisations to meet requirements for annual exercises and/or Operational Resilience testing.

RFP and Project Timelines

Key dates for the RFP timeline are as follows:

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| RFP Issuance by HKFSBCM | 03 Mar 2025 |
| Bidders intent on submitting a proposal to be emailed to HKFSBCM | 14 Mar 2025 |
| Last day of questions to HKFSBCM by potential vendors | 21 Mar 2025 |
| Proposals submission deadline to be emailed to HKFSBCM | 28 Mar 2025 |
| Presentations by shortlisted bidders and contract negotiations | 14-17 Apr 2025 |
| Contract award and notification to unsuccessful bidders | 30 Apr 2025 |
| WISE2025 exercise date | Late-Oct to mid-Nov 2025 |

Budget

The vendor is expected to include a budget in the proposal with the following inclusions:

- Estimated participation fees to cover all expenses, including vendor fees, HKFSBCM overhead and any additional third party services.
- Budget of the revenues (i.e., participant's fee x estimated number of participating firms) to cover the expenses.
- A statement on how to prevent or cover deficit and financial liability.
- If there are not enough participating firms to cover the estimated expenses, the scale of the exercise may possibly be reduced. The Board of HKFSBCM and the vendor would mutually agree on a scaled-down scope.
- Note: the WISE2023 participation fee was HKD50,000 per participating firm (including expenses), of which HKD5,000 (per participant) was set aside for HKFSBCM operating costs.

Evaluation Factors

The Board of HKFSBCM will rate proposals on the following criteria:

- The vendor's total cost for the project

- Responsiveness to the requirements set forth in the RFP
- Relevant past performance / experience
- Samples of previous work
- Technical expertise / experience of the bidder and the staff

The Board of HKFSBCM reserves the right to award the bid to the vendor that presents the best value to the HKFSBCM industry forum, as determined solely by the Board of HKFSBCM in its absolute discretion.