

# RISK ALERT:

## POLITICAL UNREST IN HONG KONG

### SITUATION

Confrontations between protestors from the Occupy Central Campaign (OCC) and authorities escalated on the streets in Admiralty, a business district in Hong Kong, over the weekend as riot police tried to contain the mass protests, led by student activists and OCC supporters. Protestors began to station near the Hong Kong government office buildings since Friday, 26 September 2014, and chaos ensued on Sunday night as the Hong Kong police fired tear gas in an effort to resume social order.

Hong Kong became a Special Administrative Region (SAR) of China following the handover from Britain to China in 1997. Under the One Country Two System model, a form of universal suffrage for Hong Kong was expected by 2017. Students and OCC supporters took to the streets from 26 September to oppose the Chinese government's earlier decision to allow direct elections in 2017 where voters will choose from a list of pre-approved candidates. The demonstrations have been denounced by China and the situation is expected to remain unstable for days to come.

### BUSINESS CONTINUITY MANAGEMENT AND CRISIS MANAGEMENT

Organizations have to contend with numerous threats, including terrorism. Business continuity management (BCM) and crisis management are crucial elements for all companies, with the primary objective of any program is to have the shortest recovery time possible to stabilize and protect life, property, the environment, reputation, economic viability, brand identity and consumer trust.

Any crisis response program has three primary phases: building a plan, testing the plan and reviewing the plan.

- Review your company's crisis readiness - analyze the current capabilities, organizational needs and emerging risks, both internal and external.
- Establish crisis management structure and protocols - design, deploy and enhance reputational risk, crisis management and strategic communications programs around a broad set of contingencies.

### DURING AN EVENT

- Set up real-time crisis support - 24/7 expert guidance and support to manage corporate response, while protecting brand and reputation, and working with the product risk and supply chain practices.

### AFTER AN EVENT

- Have a post-incident review – how have you performed in the crisis? What are your stakeholders saying?
- Repair and recover - rebuild and strengthen relationships with your stakeholders.

### TERRORISM AND POLITICAL VIOLENCE INSURANCE

Terrorism and political violence insurance is purchased by property owners to cover their potential losses and liabilities that might occur due to terrorist and political activities.

- Property and/or business interruption due to terrorism.
- Strikes, riots and civil commotion.
- Terrorism general liability and/or terrorism employers' liability.
- Lenders' interests for losses resulting from terrorist acts.
- War on land.
- Aviation hull war.
- Contingent hull war.

Coverage can be specifically tailored to address many of the concerns of businesses and property owners, including where damage occurs to critical suppliers, customers or public infrastructure, resulting in interruption to business.

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