

Fabio Panetta

Member of the Executive Board

Ms Irene Tinagli
Chair of the Committee on Economic
and Monetary Affairs (ECON)
European Parliament
60, rue Wirtz
1047 BRUSSELS
BELGIUM

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Action plan to address recommendations after TARGET incidents in 2020

Madam Chair, dear Irene,

Following-up on my previous letter of 28 July 2021¹, I am pleased to inform you that the European Central Bank (ECB) today published an action plan² to address the recommendations of the independent review mandated by the ECB's Governing Council in November 2020³ following the five major incidents that affected TARGET2 and TARGET2 Securities in 2020. The action plan aims to fulfil the Eurosystem's commitment to swiftly address these recommendations, as published on 28 July 2021⁴, and the recommendations issued by the Eurosystem oversight function and the Internal Audit Committee in relation to the same incidents.

The action plan consists of six workstreams: Change and release management, Business continuity management, Fail-over and recovery tests, Communication protocols, Governance, and Data centre and IT operations. Measures addressing several recommendations have already been agreed or implemented in the

¹ See https://www.ecb.europa.eu/pub/pdf/other/ecb_mepletter210728_Tinagli~9e681c3e31.en.pdf.

² See https://www.ecb.europa.eu/paym/intro/publications/pdf/ecb.Actionplan_recommendations_TARGETServices_2020.en.pdf.

³ See "ECB announces independent review of payments system outage", 16 November 2020, available at: <https://www.ecb.europa.eu/press/pr/date/2020/html/ecb.pr201116~7b08f0a3c5.en.html>.

⁴ See https://www.ecb.europa.eu/press/pr/date/2021/html/Report_external_review_TARGET_Services_incidents_2020.en.pdf.

course of 2021, while most of the remaining ones will be implemented by the end of 2022. The measures will benefit all TARGET services, including TARGET Instant Payment Settlement (TIPS).

We stand ready to further explain the measures to the Members of the ECON Committee.

Yours sincerely,

[signed]

Fabio Panetta