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Member of the Executive Board

Ms Irene Tinagli  
Chair of the Committee on Economic  
and Monetary Affairs (ECON)  
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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 2021<sup>1</sup>, I am pleased to inform you that the European Central Bank (ECB) today published an action plan<sup>2</sup> to address the recommendations of the independent review mandated by the ECB's Governing Council in November 2020<sup>3</sup> 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 2021<sup>4</sup>, 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

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<sup>1</sup> See [https://www.ecb.europa.eu/pub/pdf/other/ecb\\_mepletter210728\\_Tinagli~9e681c3e31.en.pdf](https://www.ecb.europa.eu/pub/pdf/other/ecb_mepletter210728_Tinagli~9e681c3e31.en.pdf).

<sup>2</sup> See [https://www.ecb.europa.eu/paym/intro/publications/pdf/ecb.Actionplan\\_recommendations\\_TARGETServices\\_2020.en.pdf](https://www.ecb.europa.eu/paym/intro/publications/pdf/ecb.Actionplan_recommendations_TARGETServices_2020.en.pdf).

<sup>3</sup> 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>.

<sup>4</sup> See [https://www.ecb.europa.eu/press/pr/date/2021/html/Report\\_external\\_review\\_TARGET\\_Services\\_incidents\\_2020.en.pdf](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