



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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US FINANCIAL SECTOR PANDEMIC FLU EXERCISE PROMPTS ENHANCED INDUSTRY PREPARATIONS

WASHINGTON- The U.S. Department of the Treasury, the Financial Services Sector Coordinating Council for Critical Infrastructure Protection and Homeland Security (FSSCC), and the Financial and Banking Information Infrastructure Committee (FBIIC) today released the [in-depth results](#) of the FBIIC/FSSCC Pandemic Flu Exercise of 2007.

The report builds off initial test [results released in October](#), providing a thorough examination of the industry's plans during a pandemic outbreak. Results compare industry responses on issues including plans for telecommuting, stockpiling equipment and anti-virus medication, and other continuity measures. Most importantly, exercise results demonstrate that while there may be significant impacts to the financial services sector during a pandemic outbreak, the sector overall will continue to operate and cope with these impacts.

"The results of this report demonstrate the clear need for conducting this exercise," said Treasury Deputy Assistant Secretary Valerie Abend. "Even businesses that had pandemic plans in place found that a global avian flu outbreak poses complex issues and were able to identify areas where more work was needed."

The exercise, conducted between September 24 and October 12, 2007, was the largest pandemic exercise ever held for financial services industry. The Treasury Department, in partnership with FSSCC and FBIIC, and the Securities Industry and Financial Management Association (SIFMA) sponsored the sector-wide pandemic.

The exercise highlighted the need for organizations to include pandemic-specific focus in their overall business continuity planning efforts. At the start of the exercise, more than one-third of participants stated that they had not yet developed pandemic-specific business continuity plans. However, after the exercise 91 percent of participants said they would apply lessons they learned from the exercise to a refinement of their organizations' business continuity plans.

The exercise was specifically designed to stress test the business continuity plans of the more than 2,700 participating organizations. This exercise simulated absentee rates at up to 49 percent across the country. Critical infrastructures that the sector relies on were also stressed resulting in notable service degradation.

By providing an opportunity to test plans, identify systemic risks and critical dependencies on other sectors through this exercise, 99 percent of exercise participants felt that the exercise met its objectives

and was useful in assessing their pandemic planning needs. As a result, the exercise provided the participants the opportunity to examine key crisis management issues, foster strategic thinking, and strengthen the sector's overall preparedness.

“The exercise identified a number of issues that can be addressed to further strengthen the sector's resiliency,” said George S. Hender, Chairman of FSSCC. “Each organization needs to look at the lessons learned from the exercise and incorporate the appropriate enhancements to their pandemic planning.”

The full After-Action Report of the FBIIC/FSSCC Pandemic Flu Exercise can found at <http://www.treasury.gov/offices/domestic-finance/financial-institution/cip/flu.shtml>.

About FSSCC:

The Financial Services Sector Coordinating Council for Critical Infrastructure Protection and Homeland Security (www.fsscc.org) is a group of more than 30 private-sector firms and financial trade associations that works to help reinforce the financial services sector's resilience against terrorist attacks and other threats to the nation's financial infrastructure. Formed in 2002, FSSCC works with the Department of Treasury, which has direct responsibility for infrastructure protection and homeland security efforts for the financial services sector, while also serving under the overall guidance of the Department for Homeland Security.

About FBIIC:

The Financial and Banking Information Infrastructure Committee (FBIIC) is chartered under the President's Working Group on Financial Markets and is charged with improving coordination and communication among financial regulators, enhancing the resilience of the financial sector, and promoting the public/private partnership. The Treasury's Assistant Secretary for Financial Institutions chairs the committee.