



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

DIVISION OF BANKING
SUPERVISION AND REGULATION
SR 06-5
March 15, 2006

**TO THE OFFICER IN CHARGE OF SUPERVISION AND APPROPRIATE SUPERVISORY
AND EXAMINATION STAFF AT EACH FEDERAL RESERVE BANK, AND TO BANKING
ORGANIZATIONS SUPERVISED BY THE FEDERAL RESERVE**

SUBJECT: Influenza Pandemic Preparedness

The Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision are jointly issuing the attached advisory on Influenza Pandemic Preparedness.

The attached advisory is intended to raise awareness regarding the threats of a pandemic influenza outbreak and its potential impacts on the delivery of critical financial services and to provide references to information that may help financial institutions prepare for such an event. The attached advisory discusses aspects of the National Strategy for Pandemic Influenza (National Strategy). The National Strategy states that the "private sector should play an integral role in preparedness before a pandemic begins, and should be part of the national response." Financial institutions provide essential financial services and, as such, should consider what actions, if any, are appropriate for preparing and responding to a pandemic.

The purpose of this supervisory letter is to alert financial institutions of the need to consider and address this potential pandemic (and similar threats) in their event response and contingency strategies. Reserve Banks are asked to distribute this letter to the appropriate management personnel at financial institutions supervised by the Federal Reserve. If you have questions about this letter or the attached advisory, please contact Stacy Coleman, Assistant Director, Operational and IT Risk Section, at (202) 452-2934 or John Gibbons, Supervisory Financial Analyst, at (202) 452-6409.

Richard Spillenkothen
Director

Attachment:

Interagency Advisory on Influenza Pandemic Preparedness (24 KB PDF)
Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency
Office of Thrift Supervision

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency
Office of Thrift Supervision**

INTERAGENCY ADVISORY ON INFLUENZA PANDEMIC PREPAREDNESS

Purpose

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and Office of Thrift Supervision are issuing this interagency advisory to financial institutions and their technology service providers.

This advisory is intended to raise awareness regarding the threat of a pandemic influenza outbreak and its potential impact on the delivery of critical financial services. It further advises financial institutions and their service providers to consider this and similar threats in their event response and contingency strategies. This issuance discusses the National Strategy for Pandemic Influenza (National Strategy) and the roles and responsibilities it outlines for financial institutions.

Background

On November 1, 2005, the White House issued the National Strategy, which discusses the threat and potential impact of a pandemic influenza event. It also identifies the roles and responsibilities for the federal government, the private sector, and others.

The current threat originates from an outbreak of avian flu in Asia. It is unknown if an avian virus will result in a human pandemic. The widespread nature of this virus in birds and the possibility that it may mutate over time raise concerns that it will become transmissible among humans, with potentially devastating consequences.

Preparedness

The National Strategy states that the “private sector should play an integral role in preparedness before a pandemic begins, and should be part of the national response.” Financial institutions and their service providers supply essential financial services and, as such, should consider their preparedness and response strategy for a potential pandemic. The National Strategy addresses the full spectrum of events. The main components of the National Strategy address:

- Preparedness and Communication
- Surveillance and Detection
- Response and Containment

The following excerpt describes key roles and responsibilities as presented in the National Strategy:

The Private Sector and Critical Infrastructure Entities

The private sector represents an essential pillar of our society because of the essential goods and services that it provides. Moreover, it touches the majority of our population on a daily basis, through an employer-employee or vendor-customer relationship. For these reasons, it is essential that the U.S. private sector be engaged in all preparedness and response activities for a pandemic.

Critical infrastructure entities also must be engaged in planning for a pandemic because of our society's dependence upon their services. Both the private sector and critical infrastructure entities represent essential underpinnings for the functioning of American society.

Responsibilities of the U.S. private sector and critical infrastructure entities include the following:

- *Establishing an ethic of infection control in the workplace that is reinforced during the annual influenza season, to include, if possible, options for working offsite while ill, systems to reduce infection transmission, and worker education.*
- *Establishing contingency systems to maintain delivery of essential goods and services during times of significant and sustained worker absenteeism.*
- *Where possible, establishing mechanisms to allow workers to provide services from home if public health officials advise against non-essential travel outside the home.*
- *Establishing partnerships with other members of the sector to provide mutual support and maintenance of essential services during a pandemic.*

Financial institutions and their service providers should review the National Strategy¹ to consider what actions may be appropriate for their particular situation, and whether such actions should be included in their event response and contingency strategies. Financial institutions with a global presence and those considered critical to the financial system may have greater preparation and response challenges than those of other financial institutions. However, a pandemic event is a potential threat to any financial institution regardless of size and location. Preparations for employee safety and business continuity should include consideration of identified risks.

The official federal Web site, <http://www.pandemicflu.gov>, contains the complete text of the National Strategy for Pandemic Influenza and other important, related details.

Attachment

¹ The appendix of this document contains reference sites where the reader can find additional related information.

Helpful Web Sites

Additional information can be found at the following sites:

- Department of Health and Human Services (DHHS)
[<http://www.dhhs.gov/nvpo/pandemics/index.html>]
- Business Pandemic Influenza Planning Checklist (DHSS)
[<http://www.pandemicflu.gov/plan/pdf/businesschecklist.pdf>]
- Avian Flu Website (DOD)
[http://deploymentlink.osd.mil/medical/medical_issues/immun/avian_flu.shtml]
- Centers for Disease Control (CDC) [<http://www.cdc.gov/flu/avian/index.htm>]
- World Health Organization (WHO)
[http://www.who.int/csr/disease/avian_influenza/en/]
- U.S. Department of Veterans Affairs (VA)
[<http://www.publichealth.va.gov/flu/pandemicflu.htm>]
 - Department of Agriculture (USDA)
 - [http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB/.cmd/ad/.ar/sa.retrievecontent/c/6_2_1UH/.ce/7_2_5JM/.p/5_2_4TQ/.d/0/_th/J_2_9D/_s.7_0_A/7_0_1OB?PC_7_2_5JM_contentid=AI05.xml#7_2_5JM]
- Department of Labor Occupational Safety and Health Administration (OSHA)
[<http://www.osha.gov/dsg/guidance/avian-flu.html>]
- Department of State [http://travel.state.gov/travel/tips/health/health_1181.html]
- U.S. Agency for International Development (USAID)
[http://www.usaid.gov/our_work/global_health/home/News/news_items/avian_influenza.html]