



BANK OF ENGLAND

News release

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Bank of England announces supervisory action over Visa Europe's June 2018 partial outage incident

On 1 June 2018 there was a partial service disruption of Visa Europe's card authorisations system.

Immediately following the incident, Visa Europe engaged an external party to conduct an independent review, with the scope agreed with both the Bank and the Payment Systems Regulator (PSR). A summary of the review's findings was shared with, and subsequently published by, the Treasury Select Committee in November 2018.

The Bank recognises that Visa Europe has accepted all of the recommendations of the independent review, in full, and is committed to implementing them in a timely manner.

The Bank has reviewed the incident and whether to use its statutory powers under the Banking Act 2009. The incident resulted in widespread disruption to users of Visa Europe's services and had the potential to affect confidence in the financial system.

In light of this, and the importance of ensuring implementation of the remediation actions, the Bank has decided to use its statutory powers to direct Visa Europe to fully implement the recommendations of the independent review. As a further action, it is also using its powers to require Visa Europe to appoint an independent third party, PricewaterhouseCoopers (PwC), to assess Visa Europe's progress in implementing these recommendations. The Bank's action is proportionate to the nature and impact of the incident.

The action taken by the Bank does not imply the breach of a regulatory requirement and does not constitute enforcement action.

PwC will provide a final report to the Bank later this year assessing the progress in the implementation of each recommendation.

The Bank has consulted and co-ordinated with the PSR in line with their Memorandum of Understanding on payment systems.

Notes to Editors

1. A summary of the independent review was published by the Treasury Select Committee as an annex to Visa Europe's letter to the Committee of 14 November 2018. The letter and findings can be found [here](#).