

# Chapter 1

## Commission Delegated Regulation (EU) 2016/1075

## Article 12 Continuity of operations

(1) Each recovery option shall contain an assessment of how the continuity of operations will be ensured when implementing that option.

(2) That assessment shall include an analysis of internal operations (for example, information technology systems, suppliers and human resources operations) and of the access of the entity or entities covered by the recovery plan to market infrastructure (for example, clearing and settlement facilities and payment systems). In particular, the assessment of operational contingency shall take into account:

(a) any arrangements and measures necessary to maintain continuous access to relevant financial markets infrastructure;

(b) any arrangements and measures necessary to maintain the continuous functioning of the operational processes of the entity or entities covered by the recovery plan, including infrastructure and IT services;

(c) the expected time frame for the implementation and effectiveness of the recovery option;

(d) the effectiveness of the recovery option, and the adequacy of indicators in a range of scenarios of financial stress which assesses the impact of each of these scenarios on the entity or entities covered by the recovery plan, in particular on their capital, liquidity, profitability, risk profile and operations.

(3) That assessment shall identify the recovery option which could be appropriate in a specific scenario, the potential impact of the recovery option, its feasibility, including the potential impediments to its implementation, and the time frame required for its implementation.

On the basis of this information, the assessment shall describe the overall recovery capacity of the entity or entities covered by the recovery plan, being the extent to which the recovery options allow that entity or those entities to recover in a range of scenarios of severe macroeconomic and financial stress.