



HIGH-LEVEL ROADMAP

TO T+1 SECURITIES SETTLEMENT IN THE EU

30 JUNE 2025

EU T+1 INDUSTRY COMMITTEE

Letter from the Chair

As global financial markets become more interconnected and digitalised, the shift towards T+1 settlement stands to further align European markets with those of other major economies. While the reduction of the securities settlement cycle raises diverse technical and operational issues, we should consider the broader perspective. With rising geopolitical tensions and world-wide uncertainty, global investors may reconsider their approach to EU markets if they see the bloc as a haven offering relative legal and regulatory certainty, clarity and stability. This however is not enough. The EU should encourage investment in its capital markets by providing for efficient, competitive and modern market infrastructures. The reduction of the securities settlement cycle therefore should be seen as a component of a broad strategic ambition of the EU: the Savings and Investments Union.

The EU T+1 Industry Committee was established to drive the transition to a T+1 settlement cycle across the securities markets of the European Union (EU) and the European Economic Area (EEA), with an implementation date of 11th October 2027 as agreed by EU co-legislators.

The Committee comprises a diverse group of stakeholders (set out in [Annex 5.4](#)), including European Associations, market infrastructure providers, market users, and experts and representatives from relevant segments of the financial sector. This cross-industry collaboration, as well as close cooperation with public authorities, are essential for understanding the multifaceted challenges associated with implementing a shorter settlement cycle. A continuous dialogue with the UK Accelerated Settlement Taskforce (UK-AST) and the Swiss Securities Post-Trade Council is also proving mutually beneficial by sharing experience and technical expertise across the three jurisdictions.

The Committee has identified and has sought to address critical areas of focus, including standardisation of processes, the enhancement of technology and infrastructure, and the need for regulatory support. By identifying barriers to implementation and proposing actionable recommendations, the Committee aims to foster a proactive engagement among all market participants, ensuring a smooth transition to T+1 settlement.

The high-level recommendations developed by the Committee serve as a roadmap for the financial services industry, guiding stakeholders through the necessary changes to achieve this pivotal objective. They emphasise the importance of collaboration across all sectors of the market, the need for robust technological upgrades, and the establishment of clear timelines for implementation.

The publication of this High-Level Roadmap and the recommendations herein are only one step on the journey to T+1 migration on the agreed date. Further challenging work lies ahead in terms of facilitating adherence with the recommendations, developing more detailed market practices where necessary, supporting the monitoring of implementation and preparing the testing phase. The Committee and Technical Workstreams (TWs) will continue working to ensure a coordinated, ambitious, efficient, modern, and inclusive approach to achieving settlement efficiency and operational resilience. Furthermore, they will offer guidance to industry stakeholders regarding how and by when these changes are to be executed to ensure a smooth and efficient T+1 transition.

Finally, I wish to express my deep gratitude to all the participants of the Committee, including observers from the public sector, the Co-Leads of the Technical Workstreams and their participants, as well as PricewaterhouseCoopers, for their continuous commitment, passionate efforts and availability.



Giovanni Sabatini

30th June 2025

Guide to Reading the Report

This report presents a series of recommendations developed collaboratively by industry experts to support market participants in the transition to T+1 settlement across the EU/EEA. The recommendations are crafted “by the industry, for the industry” and are intended to provide a thoughtful, context-sensitive framework for implementation by all market participants. In particular, it is hoped that the report assists stakeholders to identify as early as possible all relevant operational and regulatory changes necessary to operate effectively in a T+1 environment prior to the implementation date of 11th October 2027.

The recommendations are intended to encourage transparency and engagement among all stakeholders, which in turn facilitate mutual accountability. However, it is recognised that most likely a uniform “one-size-fits-all” approach will not suit all organisations equally - especially in view of varying sizes, complexities, geographies and other factors deriving from diverse business models across the industry. Therefore, some flexibility in the adoption of recommendations is to be expected, subject to the “key considerations” set out below.

In themselves the recommendations that follow have no binding effect in law or regulation, however, market participants globally are expected to refer to them in developing and progressing their transition plans. Public authorities may also refer to them in connection with the regulation of market participants over whom they have supervisory authority.

Key considerations

Adhere or Explain: Compliance with each and every recommendation is not mandated, however, market participants who choose not to adhere to a recommendation, or who cannot adhere to the recommendation within the indicated deadline, are expected to inform their relevant stakeholders, providing an explanation for their non-adherence, and to agree alternatives that minimise any resulting negative impacts.

Priority and deadline of recommendations: Each recommendation has an associated priority and deadline (“when”). It is acknowledged that certain recommendations require further analysis – generally to be completed by end of 2025 – to determine operational and technical feasibility. In addition, some other recommendations are framed as “forward-looking” to support future efforts aimed at enhancing the efficiency and resilience of EU post-trade activities beyond 11th October 2027.

Targeted recommendations: The recommendations are directed at specific groups indicated in the document (“who”), but each market participant individually is expected to identify those recommendations that are relevant to them, based on their respective business models. To support understanding of the rationale behind this approach, this report sets out a Glossary of Actors, describing the generic types and roles of implementing actors. These are defined based on high-level characteristics such as market segment, type of business activity, and service function (see [Annex 5.2](#)).

An iterative process: A continuous industry dialogue will begin that extends beyond the go-live date of 11th October 2027. It is expected that adjustments will be needed to maintain a high level of settlement efficiency even beyond this date.

External dependencies: The presence of external dependencies, such as regulatory developments, global market alignments, and third-party infrastructure readiness must be considered during implementation, and may necessitate adaptation of the recommendations.

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1. Introduction

1.1 – About this report

This report has been prepared by the EU T+1 Industry Committee to support market participants in their readiness efforts for the transition to a shortened settlement cycle in the EU/EEA on 11th October 2027. The report reflects current market arrangements, such as trading cutoff times that are in place today. This does not preclude, however, the possibility of future updates where necessary due to the continued evolution of market practices.

While the report does not purport to offer a comprehensive solution to all challenges posed by the T+1 transition, it provides a framework to identify and address the most critical operational considerations to support preparations and budget allocations by firms. The report therefore also acknowledges the efforts of other industry bodies currently engaged in the review of existing market best practices—including, but not limited to, those related to settlement efficiency, repo, and securities lending—with a view to identifying potential refinements going forward. Equally, areas that are not seen as immediate impediments to transition readiness are set to be reviewed and refined in due course.

A key theme throughout this report is the imperative to enhance automation and standardisation across all stages of the post-trade lifecycle. With T+1, the window between trade execution and settlement is significantly reduced, putting considerable additional pressure on operational timelines. Improving automation in key processes (e.g., trade matching, securities lending, FX bookings, and corporate action handling) is essential.

Equally, the report emphasises the importance of eliminating manual interventions that create bottlenecks and improving the quality of static reference data to facilitate STP, thus reinforcing real-time or near real-time processing capabilities.

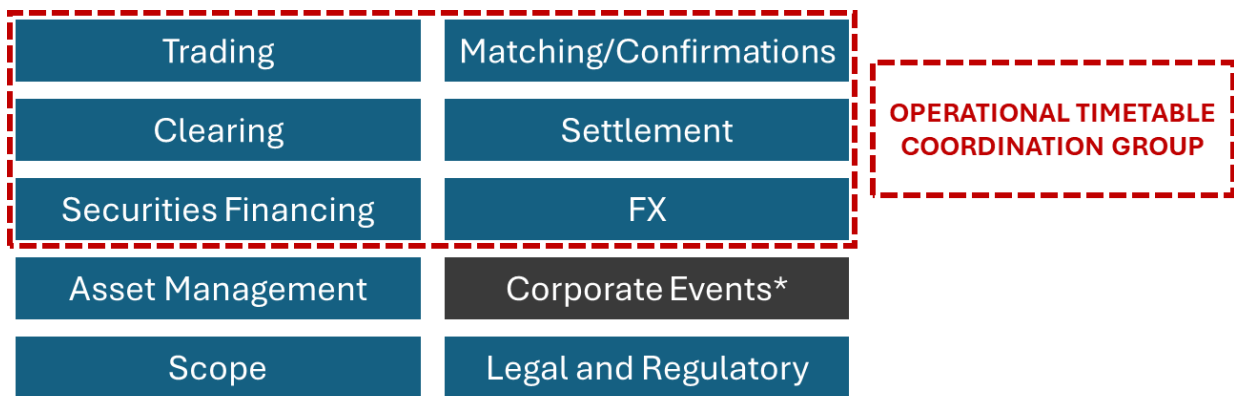
The report is structured as follows: (1) an introduction; (2) an analysis of the current and future legal and regulatory framework, including with respect to the scope of application of T+1 settlement under CSDR; (3) a section presenting market-wide recommendations for a single, standardised operational timetable across the EU; (4) a compilation of all recommendations issued by the Committee, organised—where applicable—according to the phases of the operational timetable; and (5) glossaries of implementing actors and key terms.

1.2 – About the EU T+1 Industry Committee

The Committee is comprised of 10 member and 10 observer associations from across the capital markets spectrum, including issuers, investors, intermediaries and market infrastructures plus industry experts who were appointed to lead technical workstreams. In the spirit of collaboration, representatives from the UK and Switzerland T+1 groups are also observers to the Industry Committee, as are representatives from key EU public authorities (the European Commission, the European Securities and Markets Authority, and the European Central Bank).

The work of the Committee has been organised into technical workstreams comprised of subject matter experts in different parts of the securities markets ecosystem impacted by the move to T+1. A transversal 'coordination group' has also been established to facilitate the development of a proposed standardised operational timetable that applies across the ecosystem.

Figure 1: Technical Workstreams



*Rather than a Technical Workstream under the governance of the European T+1 Industry Committee, analysis of Corporate Events was conducted by the AMI-SeCo Corporate Events Group (CEG)

2. Legal and regulatory background

2.1 – Scope

The Committee's understanding of the scope of application of T+1 settlement cycle has been defined by replicating the current application of the current T+2 settlement cycle requirements, considering the current relevant provisions in CSDR, namely:

Article 1 – Subject matter and scope	1. This Regulation lays down uniform requirements for the settlement of financial instruments in the Union and rules on the organization and conduct of central securities depositories (CSDs) to promote safe, efficient and smooth settlement. 2. This Regulation applies to the settlement of all financial instruments and activities of CSDs unless otherwise specified in this Regulation.
Article 5 – Intended settlement date	1. Any participant in a securities settlement system that settles in that system on its own account or on behalf of a third-party transactions in transferable securities, money-market instruments, units in collective investment undertakings and emission allowances shall settle such transactions on the intended settlement date. 2. As regards transactions in transferable securities referred to in paragraph 1 which are executed on trading venues, the intended settlement date shall be no later than on the second business day after the trading takes place. That requirement shall not apply to transactions which are negotiated privately but executed on a trading venue, to transactions which are executed bilaterally but reported to a trading venue or to the first transaction where the transferable securities concerned are subject to initial recording in book-entry form pursuant to Article 3(2).
Recital 13	[...] For complex operations composed of several transactions such as securities repurchase or lending agreements, that requirement should apply to the first transaction involving a transfer of securities. [...]

On this basis, the main scope of application of T+1 settlement under CSDR would apply to transactions in transferable securities traded on an EU-trading venue and settling in an EU-registered CSD.

Scope Matrix

This scope matrix is based on the interpretation of legislative acts performed by the Committee Members. Based on the provisions on Article 5(2) of CSDR, this matrix covers scenarios related to secondary market transactions (purchases and sales) in transferable securities.

Four asset classes have been assessed, with Cash Equities and ETPs assessed separately but consolidated in the final output, considering the conclusions are the same. The final matrix therefore includes the following asset classes:

- Cash Equities & ETPs
- Domestic Issued Bonds (By CSD of issuance)
- International Issued Bonds (i.e. Eurobonds)

Security	Ref	Trading Venue	Place of Settlement	Trading Line (EQ)	Market of Issue (FI)	Issuer	ISIN Prefix	Sett. Cycle	Enforcement	Regulation Mandated
Cash Equities & ETPs	CE1	EU	EU	EU	n/a	EU	DE/FR/IT etc.	T+1	CSDR (EU)	Y
	CE2	EU	EU	EU	n/a	Other	Other	T+1	CSDR (EU)	Y
	CE3	EU	Other	Other	n/a	Any	Any	T+n	Trading Venue Rulebook	N
	CE4	Other	EU	EU	n/a	Any	Any	T+1	Trading Venue Rulebook	N
	CE5	OTC	EU	EU	n/a	EU	DE/FR/IT etc.	T+1	Market Convention (EU)	N
	CE6	OTC	EU	EU	n/a	Any	Any	T+1	Market Convention (EU)	N
	CE7	Other	Other	Other	n/a	EU	DE/FR/IT etc.	T+n	Varies	Varies
	CE8	OTC	Other	Other	n/a	EU	DE/FR/IT etc.	T+n	Varies	Varies
Domestic Bonds	DB1	EU	EU	n/a	EU	n/a	DE/FR/IT etc.	T+1	CSDR (EU)	Y
	DB2	EU	EU	n/a	Other	n/a	Other	T+1/n	CSDR (EU)	Y
	DB3	EU	Other	n/a	EU	n/a	DE/FR/IT etc.	T+1	Trading Venue Rulebook	N
	DB4	EU	Other	n/a	Other	n/a	Other	T+n	Trading Venue Rulebook	N
	DB5	Other	EU	n/a	EU	n/a	DE/FR/IT etc.	T+1	Trading Venue Rulebook	N
	DB6	Other	EU	n/a	Other	n/a	Other	T+n	Trading Venue Rulebook	N
	DB7	Other	Other	n/a	EU	n/a	DE/FR/IT etc.	T+1	Trading Venue Rulebook	N
	DB8	Other	Other	n/a	Other	n/a	Other	T+n	Trading Venue Rulebook	N
	DB9	OTC	EU	n/a	EU	n/a	DE/FR/IT etc.	T+1	Market Convention (EU)	N
	DB10	OTC	EU	n/a	Other	n/a	Other	T+n	Varies	Varies
	DB11	OTC	Other	n/a	EU	n/a	DE/FR/IT etc.	T+1	Varies	Varies
	DB12	OTC	Other	n/a	Other	n/a	Other	T+n	Varies	Varies
Eurobonds	EB1	EU	EU	n/a	Mixed	Mixed	XS	T+1	CSDR (EU)	Y
	EB2	Other	EU	n/a	Mixed	Mixed	XS	T+1	Trading Venue Rulebook	N
	EB3	OTC	EU	n/a	Mixed	Mixed	XS	T+1	Market Convention (EU)	N
	EB4	EU	Other	n/a	Mixed	Mixed	XS	T+1	Varies	Varies
	EB5	Other	Other	n/a	Mixed	Mixed	XS	T+1	Varies	Varies
	EB6	OTC	Other	n/a	Mixed	Mixed	XS	T+1	Varies	Varies

Transactions in derivatives that do not result in a settlement on the books of a CSD are considered out of scope of CSDR, and therefore not in scope of the T+1 requirement. Settlement instructions at a CSD which relate to a derivative transaction, such as collateral movements or the physical delivery of the underlying security upon exercise or expiry of the derivative contract, are also considered out of scope, as they are not executed on a trading venue. However, industry discussion is continuing to determine

whether some derivatives-related flows (e.g. the physical delivery of the underlying security upon exercise or expiry of a derivative contract) should be subject to a default T+1 settlement cycle as market convention.

2.2 – Legal and regulatory changes needed to accommodate T+1

Legal and regulatory topics that have been considered by the Committee include:

- legal and regulatory changes needed to accommodate the T+1 move.
- a potential exemption of SFTs from the scope of Article 5 of CSDR.
- a potential temporary suspension of cash penalties during the migration period. For further details, please refer to: Box 2 in Section 4.9.
- legal or regulatory national specificities of Member States which might have an impact on the move to T+1. For further details, please refer to: Recommendation LR-01, in Section 4.9.
- the impact of non-harmonised insolvency protections across Member States. For further details, please refer to: Recommendation LR-02 in Section 4.9.

Changes foreseen at EU level

Necessary changes in law or regulation have been identified by public authorities. The Industry Committee has not identified, any other changes considered critical to a move to T+1. In its Report on the Shortening of the Settlement Cycle dated 18 November 2024¹ (ESMA Report), ESMA identified the following potential changes:

- Amendment of Article 5(2) of CSDR to set the implementation date of T+1 (see above).
- Amendments of Commission Delegated Regulation (EU) 2018/1229: this addresses certain matters considered relevant to the transition to T+1, such as:
 - deadlines for the exchange of written allocations and confirmations: changes to the two current deadlines (depending on time zones and timing of execution) are contemplated.
 - other amendments aimed at preventing settlement fails (see §199 of ESMA Report).
- Amendment of ESMA Guidelines on standardised procedures and messaging protocols under Article 6(2) of CSDR.

Update on the status of the current legislative and regulatory processes

Level 1 changes: Article 5(2) of CSDR

The European Commission published its proposal to amend Article 5(2) of CSDR in February 2025.

With input from the Committee, the possibility of – and rationale for - an exemption for SFTs executed on trading venues from the T+1 settlement obligation as well as a temporary suspension of cash penalties have been brought to the attention of public authorities. A political agreement was reached in a trilogue meeting of 18th June 2025, including for an exemption for SFTs and for a recital on a possible suspension of cash penalties. The exemption for SFT applies to all relevant SFTs provided they are “documented as single transactions composed of two linked operations”.

Level 2 changes: Commission Delegated Regulation EU 2018/1229:

¹https://www.esma.europa.eu/sites/default/files/2024-11/ESMA74-2119945925-1969_Report_on_shortening_settlement_cycle.pdf

ESMA published in February 2025 a consultation paper on possible amendments to CSDR, which closed 14th April 2025. ESMA currently is analysing responses received and expects to submit in Q4 2025 a draft amending regulation to the European Commission for endorsement.

Level 3 changes: Guidelines on standardised procedures and messaging protocols under Article 6(2) of CSDR.

Depending on the changes adopted in the Commission Delegated Regulation, ESMA expects to publish a consultation paper on amendments to existing ESMA Guidelines in Q1 2026 and to publish final guidelines in Q3 2026.

3. Operational Timetable

3.1 – Introduction on the concepts of “Operational Timetable” and an explanation of the principles

The Operational Timetable coordination group, operating under the Committee, has coordinated discussions among relevant Technical Workstreams (see Figure 1) to develop a set of market-wide recommendations for a single, **standardised operational timetable**.

In this report, “gating events” indicate activities and processes that occur after trades are executed (on a trading venue or bilaterally) for the purpose of facilitating the settlement of transactions related to those trades. The sequence and timing of “gating events” constitute the standard operational timetable, as a recommended process flow for all EU settlement systems and participating actors in a T+1 environment. The flow of post-trade activities and securities transactions through “gating events” is strongly encouraged, to increase the likelihood of settlement on the Intended Settlement Date.

All timings mentioned for the operational timetable and throughout this document are in Central European Time (CET) unless otherwise stated. Proposed timings for gating events, detailed in section 3.2, are informed by **3 key principles** and based on the **7 key criteria** outlined below.

Key Principles of the Standard Operational Timetable

Harmonisation: Adherence to agreed timings of “gating events” is strongly encouraged.

Flexibility: No legal compulsion on market participants to use the timings of the “gating events” is envisaged. However, non-adoption should not cause operational or financial detriment to other actors or contribute to a deterioration in settlement efficiency².

Adhere or Explain: according to the key considerations set out above, market participants may be requested to explain their non-adherence to identified key timings to their stakeholders, to allow sufficient time to prepare and adapt accordingly. The process for communicating and explaining non-adherence should ensure that all relevant parties are duly notified and that alternatives can be identified to minimise any resulting negative impacts.

Key Criteria used for determining recommendations, including the timings of “gating events”

- 1. Settlement Efficiency:** recommendations / timings should strive to minimise negative impacts on current settlement efficiency rates, recognising that a successful transition to T+1 should see settlement efficiency rates remain – at a minimum – in line with pre-migration figures and improved where possible.
- 2. Liquidity Efficiency:** recommendations / timings should facilitate the most efficient use of liquidity for securities settlement operations.
- 3. Feasibility by 2027:** the market must be able to adhere to the new timings and recommendations by 11th October 2027 notwithstanding any testing requirements.
- 4. Systemic Risk:** recommendations / timings should minimise the risk of systemic knock-on effects on financial stability and operational resilience of securities markets operations in the EU.

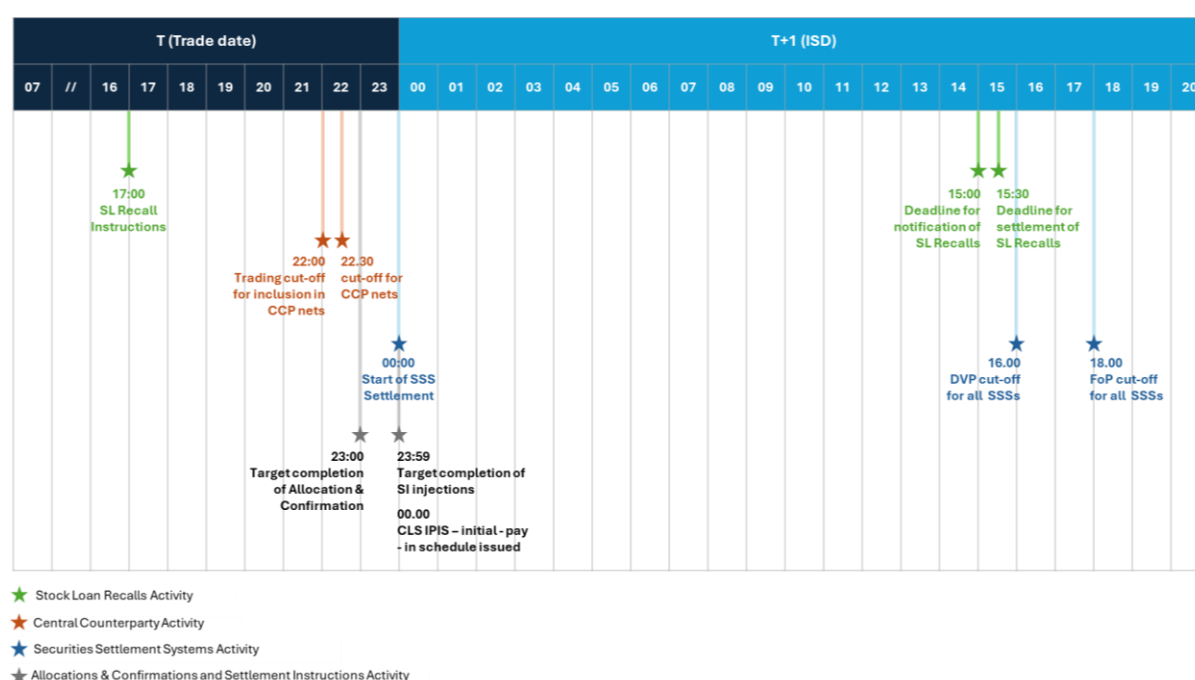
² Baselines to be used for comparison may include pre-migration figures of reference (e.g., T2S statistics, local CSD figures, etc, noting that amendments to the scope of CSD reporting under the delegated regulation of CSDR may transpire once ESMA publish technical advice)

5. **Cost Impacts:** recommendations / timings should strive to minimise additional operating costs and adaptation costs for the market including end investors.
6. **Buffer considerations:** timings of “gating events” must result in a timetable that retains as much intra-day elapsed time contingency as possible, to facilitate recovery from any service interruptions.
7. **Competitiveness:** timings of “gating events” should facilitate the competitiveness of EU markets.

3.2 – Key timings of “Gating Events” in the EU T+1 Operational Timetable

This section provides a high-level overview of the recommended key timings applicable to the “gating events”. Further detail of each recommendation is provided in the relevant lifecycle sub-section in Section 4.

Figure 2: “Gating Events”



1. **Stock Loan Recall Deadline:** All market participants should adopt a standardised deadline for recall notification requests of **17:00** on Trade Date.

In order to support timely settlement of transactions on T+1, stock loan recalls should be effected as soon as a sale is notified on Trade Date, and no later than 17:00. Adopting a deadline of 17:00 for recall requests - one hour before the majority of venues close - enables lending intermediaries to capture client selling activity and provides borrowers with a time period to act on recalls by borrowing or purchasing securities while markets are still open.

For further details, please refer to: Recommendation TR-04.1

2. **CCP EOD Process:** CCPs should include trades executed before **22:00** in their end-of-day (EOD) netting (where applicable for cleared markets).
3. CCPs should release EOD netting reports and input settlement instructions by **22:30 on Trade Date**.

Currently, most trading venues close by 18:00 local time. A sizable number close around 22:00 to cater to retail trading and other market segments, and a small minority allow trading past this time³. Stakeholders agree to maintain this flexibility of trading hours. Trading Venues and CCPs should establish operational measures to ensure that trades executed up to 22:00 are included in EOD netting. CCPs expect to need around 30 minutes to complete end-of-day operational processes with trading venues, calculate net settlement obligations and generate reporting.

For further details, please refer to: Recommendations TR-01 and CL-01

4. Allocations & Confirmations: Must be completed as soon as possible, and no later than **23:00 on Trade Date**.

The trade allocations and confirmations between buy-side firms and their executing brokers should be completed continuously throughout the day and at the latest by **23:00 on Trade Date**. This supports early matching, facilitates timely settlement instruction generation and allows for proactive resolution of issues.

For further details, please refer to: Recommendation MC-02

5. Settlement Instructions (SIs): To be included in night batches, SIs should be submitted to Securities Settlement Systems (SSS) by **23:59 on Trade Date**.

Market participants should input settlement instructions to the relevant SSS continuously throughout the trading day, to facilitate intra-day exception management of any settlement matching issues on Trade Date. Settlement instructions should be submitted at the latest by **23:59 on Trade Date**.

Settlement instructions received by securities settlement systems after this time will still be submitted for settlement, however, market participants should be mindful of the reduced window to identify and remedy exceptions and ensure that adequate inventory and cash is in place.

For further details, please refer to: Recommendation ST-01.1

6. Start of Settlement: SSSs should open for settlement at the latest by **00:00** and C1S4 batch settlement process at TARGET2-Securities (T2S) should run at 00:00, with the same priority order as today.

Settlement processes should start no later than 00:00 to allow the maximum possible time for settlement. From a T2S perspective, two key timings are the C1S4⁴ and C2S4⁵ events. The Committee recommends that these events start at 00:00 and 02:00 respectively (with an appropriate interval and for market participants to receive reporting from C1S4 and react accordingly). These events precede the start of T2S Real Time Settlement process at 02:30.

The Committee fully recognises that any decision on T2S changes will be subject to the relevant governance procedures, taking into consideration potential impacts on other TARGET Services (including T2, TIPS and ECMS).

³ based on an analysis of 56 EU trading venues: 78% close at 18:00; 19% close at 22:00; 3% close at 00:00

⁴ C1S4 refers to the first T2S Night-time settlement cycle Sequence 4. During C1S4 all types of settlement instructions, settlement restrictions and liquidity transfers are considered for settlement. C1S4 precedes C2S4.

⁵ C2S4 refers to the first sequence in the last night-time settlement cycle. C2S4 precedes C2SX, where partial settlement is available.

For further details, please refer to: Recommendation ST-02.1

7. **FX Transactions:** Should be dealt, processed and submitted to CLS by **00:00 on Settlement Date**, to be included in the CLS settlement process.

FX transactions should be dealt, processed, and submitted to CLS no later than 00:00 on Settlement Date (SD) to ensure their inclusion in the CLS settlement cycle. Timely submission helps mitigate settlement risk by enabling payment-versus-payment (PvP) settlement in CLS, which is critical for reducing principal risk in FX transactions.

Market participants, whether submitting directly, through third-party service providers, or via custodians, should align their internal processing schedules to meet this deadline.

For further details, please refer to: Recommendation FX-04

8. **SL Recalls/New Loans:** The return notification deadline should be set at **15:00 on Settlement Date**
9. The best practice deadline for settlement of recalled securities should be **15:30 on Settlement Date**

Stock loan recall transactions should be settled in time to allow the incoming securities to be reused within the same settlement day. Therefore, the recommended settlement deadline for recalls should be scheduled 30 minutes prior to the DvP cutoff of SSSs. The notification deadline for recalls and returns should be scheduled 30 minutes prior to the settlement deadline for recalls.

For further details, please refer to: Recommendations TR-04.2 and TR-04.3

10. **DvP Cutoff:** All SSSs should align to a **16:00 DvP cutoff at the earliest** (for EUR and other EEA currencies).
11. **FoP Cutoff:** All SSSs should align to a **18:00 FoP cutoff**

Harmonised cutoff times across all SSSs will help to support cross-border settlement efficiency. Where SSSs currently have earlier cutoff times, this extension will provide additional time for settlement to take place.

For further details, please refer to: Recommendation ST-02.2

Furthermore, the Committee consider an extension of the DvP cutoff to 17.00 could offer tangible benefits in terms of settlement efficiency and liquidity optimisation in a T+1 environment. A review is planned for Q3-Q4 2025.

For further details, please refer to: Recommendation ST-02.4

4. Recommendations

4.1 – Trading Phase Recommendations

The European market structure is inherently complex, shaped by a wide range of trading practices, investor profiles, and technological capabilities across Member States. This diversity reflects the unique characteristics of national markets and the decentralised nature of the EU financial ecosystem. While this pluralism fosters innovation and local responsiveness, it also presents challenges for harmonisation, particularly in the context of cross-border processes.

In this environment, maintaining flexibility in trading cutoff times is not just a matter of operational convenience—it is a strategic necessity. Flexibility enables broader participation, especially from retail investors who often trade outside standard business hours and supports engagement from global market participants operating across time zones. It also reinforces Europe's position as a competitive and accessible financial centre. As trading venues in the United States have adopted 24-hour models, Europe must remain alert and adaptable to ensure it does not fall behind in global market relevance.

The feasibility of introducing a late trading cutoff has been considered, whereby any trades executed after this time on T+0 would be stamped as executed on T+1 so effectively having a T+2 settlement (or any other variation to achieve this effect). The Committee's consensus was not to recommend the introduction of this concept at this stage. However, it should be noted that a similar concept has been envisaged in US markets, in the context of adapting to extended trading hours, and the UK-AST have also proposed "early bargain" as an environmental recommendation in their final report. The Committee will continue to monitor global developments and whether this should be re-assessed at a later time to ensure global competitiveness. Europe's approach should not be to mimic other jurisdictions, but to ensure that its market structure remains inclusive, operationally sound, and globally competitive.

Moreover, operational coordination among trading venues, clearing members, CCPs, CSDs and Settlement Agents must be enhanced to accommodate tighter timelines under T+1. Key issues include the timing of end-of-day signals, alignment of allocation and confirmation processes, and adjustments to rulebooks to reflect the new standard.

TR-01 – End of day signal from TVs to CCPs

To facilitate settlement in the first settlement window, trading platforms and their CCP(s) should review End of Day processes. This includes optimising the timing of transaction netting, prompt transmission of settlement instructions to the relevant CSD(s), and timely delivery of required reports to clearing members.

Rationale - As per the agreed operational timetable, for cash equities, it is recommended that CCPs should release their instructions to CSDs, and netting reports to Clearing Members, by 22:30. With respect to a trading platform that will be open till 22:00, the CCP guaranteed transactions executed on that platform in the same ISIN are expected to be netted into one settlement instruction and released before 22:30.⁶

For CCPs clearing for trading platforms that operate until 22:00, there is a 30-minute window to deliver the settlement instructions and relevant reports. To maximise efficiency, it is important to start immediately after the platform closes to promptly verify all transactions are received. This may require adjustments to the current T+2 settlement environment.

⁶ Although it is currently not foreseen that there will be CCP-guaranteed transactions on trading platforms that will be open beyond 22:00, this may be the case by implementation of T+1 on 11th October 2027.

Practically speaking, these changes may represent themselves as follows:

- **For trading platforms that close well before 22:00**, there is likely no need for significant changes to the current procedures with their CCP(s).
- **For trading platforms that close at 22:00** or shortly before that (e.g. 21:30), the Trading platform and CCP should agree on a procedure to ensure that the CCP can start its processes as quickly as possible.
- **For trading platforms that trade before and after the 22:00**: trading platform and CCP should ensure they agree a transparent procedure for netting and settling trades.

Priority - High

Who - Trading venues, CCPs

When – End of 2026

TR-02 – Trading venues' rulebooks

The Committee recommends that trading venues (of all asset classes) update and reconcile their rulebooks in accordance with their T+1 obligations (e.g. ex-dates, cancellations, etc).

Rationale - In preparation for the transition to a T+1 settlement cycle, it is essential that each trading venue undertake a thorough review of its rulebook. This review will ensure that all trading practices, procedures, and regulations are aligned with the new T+1 settlement requirements. By doing so, trading venues can identify and address any inconsistencies or gaps that may arise from the shift in settlement cycles. This proactive approach will help maintain market integrity and ensure a smooth transition for all participants. To further support the transition to a T+1 settlement cycle and minimise potential errors, trading platforms should update their systems to set the default settlement period for trades to T+1, once the transition is in place. This change will help standardise the settlement process across different platforms and reduce the likelihood of discrepancies or operational issues.

Where necessary, other market practices (e.g. ICMA's fixed-income secondary market Rules & Recommendations) may also need to be updated to reflect T+1 requirements. As noted in the Scope section, in some cases the Committee recommends the adoption of a default T+1 settlement cycle beyond the scope of transactions for which Article 5(2) of CSDR is directly applicable. Further discussion and analysis of any impacts will need to be performed during the T+1 implementation phase, before agreeing and publishing any rule book changes.

Priority - Medium

Who - Trading venues

When – End of 2026

TR-03 – Liquidity

The Committee recommends ongoing discussions to monitor liquidity impacts in a T+1 settlement context. Additionally, it advises continuous analysis and monitoring of developments both in the lead-up to T+1 and after its implementation.

Rationale - Front office trading desks will be dependent on sourcing securities and funding in the SFT markets. There is concern that a shortening of the settlement cycle in the EU could have liquidity impacts on:

- Securities Lending (particularly hard to borrow and "specials")

- Repo (limited overnight market in T+2)
- Corporate Bonds
- ETFs

There is no data yet to determine the impact of a shorter settlement cycle on the above asset classes or Small and Mid-Cap liquidity. Therefore, it is essential to continuously assess potential liquidity impacts during the implementation phase and monitor observable post-transition liquidity impacts after 11th October 2027.

Priority - Medium

Who - EU T+1 Industry Committee

When – October 2027 (pre- and post- go-live date)

TR-04 – Recall and Return Framework for SFTs

TR-04.1 – Standardised recall request deadline

Adopt a standardised recall notification request deadline, of 17:00 on Trade Date (T).

Rationale - The 17:00 recall notification cutoff on T+0 is intentionally aligned with trading patterns across European markets. This cutoff reflects the fact that institutional trading is concentrated during standard hours, while extended hours trading is predominantly retail-driven. Accordingly:

- Lenders are less likely to sell securities in the evening
- Borrowers face limited liquidity to source securities for recalls after hours

Setting the cutoff at 17:00 - one hour before most venues close - enables lending intermediaries to capture client selling activity and provides borrowers with a time period to act on recalls by borrowing or purchasing securities while markets are still open. This timing balances operational feasibility with trading liquidity, supporting effective recall management within the constraints of European market hours and ensuring alignment with core institutional activity.

Priority – High

Who – Trading parties (involved in securities lending)

When – October 2027

TR-04.2 – Standardised return notification deadline

Set the notification deadline for recalls and returns at 30 minutes before the return settlement deadline i.e., 15:00, on T+1 as a best practice approach.

N.B.: if DvP cutoff time becomes 17:00, the notification deadline will then move to 16:00.

Rationale – This promotes communication from the borrower to lender, giving the lender insight if return is sufficient or short creating engagement for resolution of cash market sale.

Priority – High

Who – Trading parties (involved in securities lending)

When – October 2027

TR-04.3 – Standardised return settlement deadline

Set the return settlement deadline for recalled securities at 30 minutes before the T2S DvP cutoff (i.e., 15:30) on T+1.

N.B.: if DvP cutoff time becomes 17:00, the settlement deadline will then move to 16:30.

Rationale – This enables the lender's delivery into cash markets after securities have been returned and clearly separates recall deadline (lender responsibility) and return timeframes (borrower responsibility).

Priority – High

Who – Trading parties (involved in securities lending)

When – October 2027

TR-04.4 – Adoption of ERCC best practice for termination of open repo

On the repo side, a similar question arises in relation to the notification for terminating open repo. Firms are encouraged to follow the relevant deadlines recommended by the ERCC for repo transactions⁷.

Rationale - While it is acknowledged that the relevant deadlines should be aligned as much as possible with the relevant securities lending timings recommended above, this may not be possible in all cases, especially for non-European market participants. There is therefore a need for additional flexibility. The ERCC is consulting on the relevant best practice recommendations, which all firms are encouraged to follow.

Priority – Medium

Who – Trading parties (involved in repo)

When – October 2027

TR-05 – Automatic shaping of settlement instructions

Automatic shaping of settlement instructions should be introduced in line with existing market practice (50 million nominal value in EUR, GBP and USD). This should apply at the trading level (i.e. after trade execution) and should cover both repo and cash bond trades, whether on-venue or OTC.

For securities lending transactions shaping should remain optional. Collateral realignments and other FoP collateral movements should not be subject to automatic shaping.

Rationale - Shaping helps improve settlement efficiency, by allowing individual shapes to settle. It is seen as an important complement to auto-partial settlement and serves as a first line of defence. In the US, automatic shaping has been in place for many years, implemented through a cap on the size of settlement instructions imposed by the Federal Reserve as the operator of the Fedwire settlement system. Other jurisdictions, including Canada and Japan also apply automatic shaping.

In Europe, shaping is established as an industry market practice for repos and cash bond markets and is already applied automatically by the relevant CCPs to cleared repo. However, in the uncleared markets shaping currently requires bilateral agreement and is therefore not widely applied.

⁷ <https://www.icmagroup.org/assets/documents/Regulatory/Repo/ERCC-Guide-to-Best-Practice-March-2021-300321.pdf>

Priority – High

Who - Trading Venues, Trading Parties

When – October 2027

4.2 – Matching and Confirmation Recommendations

The shortening of the post-trade timeline and the increased pressure on timely resource mobilisation – particularly for cross-border settlement operations - places a premium on the prompt completion of pre-settlement processes. In this context, the timely and automated exchange of allocations and confirmations, and completion of trade-level matching processes, has emerged as a critical enabler of settlement efficiency.

Therefore, practical measures to improve the allocation and confirmation process include:

- Automation and early completion of same-day trade matching processes (i.e., Trade Date matching).
- Generation of high-quality trade-level matching instructions and processes to promote higher levels of straight-through-processing (“STP”); and
- Early detection of discrepancies to allow timely resolution preventing knock-on impact to downstream processes at the settlement, funding and FX level.

Key elements identified as critical to achieving this objective are:

- Promoting and supporting efforts to streamline and automate operational processes between trade execution and settlement.
- Eliminating manual and non-STP solutions.

Additionally, to further support efficient matching, the opportunity has been highlighted to deepen market work on standardising the management and exchange of Standard Settlement Instructions (SSIs). This may include implementing automatic messaging protocols, using centralised databases where counterparties maintain their SSIs, and mechanisms for proactively communicating updates or amendments within the market.

The below recommendations are designed to be platform -and messaging-environment agnostic, ensuring applicability across varying technology platforms and communication protocols used by market participants.

MC-01 – Promote the Standardised Electronic Exchange of Trade Allocations and Confirmations

Firms are strongly encouraged to adopt electronic standardised communication methods for the exchange of allocations and confirmations to support straight-through processing (STP).

Rationale - To ensure timely and efficient processing in a T+1 settlement environment, minimising manual interventions and reducing the risk of delays or errors in post-trade communications is crucial. The broader adoption of standardised electronic messaging for the exchange of trade allocations and confirmations significantly enhances STP. It enables faster, more accurate communication between counterparties, reduces operational risk, and facilitates early matching on Trade Date. This is particularly critical under compressed timelines, where reliance on non-automated methods may result in unmatched trades and settlement fails.

Priority - High

Who - Trading Parties, Settlement Intermediaries

When – End 2026

MC-02 – Intraday Transmission of Allocations and Confirmations, no later than 23.00

Allocations and confirmations should be communicated intraday and as close to real time as operationally feasible. At a minimum, they should be exchanged no later than 23.00 on Trade Date, allowing buy-side firms and executing brokers one hour to send settlement instructions to their custody and Settlement Intermediaries before the start of settlement processes.

Rationale - In a T+1 settlement framework, there is significantly less time to resolve trade discrepancies and mobilise resources. Delayed allocations and confirmations increase the risk of unmatched or failed trades. Ensuring that these messages are transmitted intraday - ideally in near real-time - supports early matching, facilitates timely settlement instruction generation, and allows for proactive resolution of issues.

Priority - High

Who - Trading parties, Settlement Intermediaries

When – End 2026

MC-03 – Provision of PSET Data at the Point of Allocation

The delivery of PSET (Place of Settlement) data at the point of allocation is required to ensure the early identification of discrepancies and necessary realignments.

Rationale - Providing PSET (Place of Settlement) data at the time of allocation enables the early detection of discrepancies between counterparties and supports timely execution of resource or position realignments. Delaying the provision of PSET data increases the likelihood of failed trades, especially in cross-border scenarios. Although the SMPG (Securities Market Practice Group) market practice advocates the provision of PSET data at point of allocation, this is not universally adopted today. Advancing this data point in the post-trade workflow at pre-settlement level is essential to meet the compressed settlement timeline.

Priority - High

Who - Trading parties, Settlement Intermediaries

When - As soon as practicable

MC-04 – Establishment of Industry Taskforce to agree standards for SSI management and exchange

The Committee highlights the opportunity to deepen industry-level work on the standardisation exchange and maintenance of SSIs. Agreement on the necessary elements is essential for the establishment of a uniform rule and content across all stakeholders in the EU, UK and Swiss markets. The Committee intends to establish an expert task force, comprising representatives from all types of industry participant, with the mandate to review existing market standards (e.g., FMSB) and available functionalities to devise EU market standards for populating, sharing and storing SSIs.

Rationale - SSIs are an inherent weak point in post-trade processing, leading matching and settlement exceptions and potentially to settlement fails. Whilst most commonly associated in the 'cash trade' flow, SSI issues also occur in securities lending flows and cash processes. In a T+1 environment, with a significantly truncated operational window to identify and resolve SSI issues, robust standards and the efficient exchange of SSIs are essential.

Solutions include establishing market standards, implementing automatic messaging protocols, developing a centralised database where counterparties maintain their SSIs, and creating mechanisms for proactively communicating updates or amendments within the market.

Priority - High

Who – EU T+1 Industry Committee

When – Q3 2025

MC-05 – Standardisation of Pre-Matching for SFTs

MC-05.1 – Pre-matching (securities lending)

Require automated pre-matching of all Securities Lending instructions on Trade Date. This should include an SSI comparison as part of the overall pre-matching focus.

Rationale – Essential post-trade pre settlement activities promoting proactive settlement efficiency.

Priority – High

Who – Trading parties (involved in securities lending)

When – October 2027

MC-05.2 – Trade confirmations (repo)

For repo transactions, it is acknowledged that pre-matching can help in certain scenarios. However, it is more crucial for firms to automate the process for sending and checking confirmations and, where necessary, initiating selective affirmations to avoid any unnecessary delays.

Rationale - From a repo perspective, an efficient affirmation/confirmation process is key to compress the post-trade process, promoting automation while maintaining settlement efficiency. The recommendation builds on existing industry best practices.

Priority – Medium

Who – Trading Parties (repo only)

When – October 2027

4.3 – Clearing Phase Recommendations

Cleared transactions must continue to settle with priority over uncleared transactions, and the start of the settlement process must allow sufficient time to capture all cash equity traded until end of trading, while continuing to give the priority for the settlement to CCPs' net settlement obligations.

To achieve this under T+1, it is crucial for the CCP post-trade files, which Clearing Members and Settlement Agents depend on, to be ready and sent as early as possible. These files include the CCP End-of-Day (EOD) file, where applicable, the Netting Report, and the Settlement Instructions. Timely receipt of these files will maximise the time available for Clearing Members and Settlement Agents to complete their post-trade reconciliation processes, ensuring timely matching and settlement at the CSD.

CL-01 – CCP process timings

For cash equity, CCPs should provide their trading day gross trade information, wherever applicable, Netting Report, and Settlement Instructions to their Clearing Members and Settlement Agents as soon as possible following the close of their last cleared trading venue(s)/platform(s). The target is within 30 minutes, considering the start time of the settlement process of the respective securities settlement system.

Rationale - Given that CCP EOD processes are performed at the time their last venue closes, it is important that the later the trading venues, that the CCP serves, close, the sooner the CCP must send out these items to Clearing Members and Settlement Agents.

Priority – High

Who – CCPs

When – October 2027

CL-02 – Clearing Member, Settlement Agent, Broker-dealer process timings

For cash equity, Clearing Members, Settlement Agents and Broker-Dealers should compress their own clearing processes as much as possible to ensure they have performed the following processes prior to the start of settlement:

- Reconciliation & inventory management
- Record creation & sending/releasing of settlement instructions.

Rationale - Under T+1, Clearing Members, Settlement Agents and Broker-Dealers will have less time for inventory management prior to the new settlement process start time (e.g. for the T2S NTS). To ensure cleared transactions are instructed and matched before the start of the first relevant settlement cycle/sequence under T+1, these parties need to compress the time in which they can perform their processes.

This recommendation reflects the strong preference of the Committee that the clearing community is ready for settlement prior to the start of first batch settlement in T2S. This first batch is where liquidity and stock are concentrated and where related flow, such as OTC transactions, may also be aligned. Having CCP settlement instructions matched and available for settlement prior to the CSD settlement window starts, supports the well established practice of prioritising the settlement of CCP transactions before allocating settlement resources to OTC transactions. Alternative arrangements, where CCP settlement instructions are available only later during the settlement window, risk fragmenting settlement flows and reducing efficiency. The Committee is not aware of executed simulations or tests demonstrating that alternative arrangements would improve settlement efficiency. The consensus view

in the Committee is that such arrangements would decrease the available settlement window and hence reduce settlement efficiency. Maintaining the current T+2 practices ensures a familiar process for the T+1 transition, without risking untested or potentially disruptive changes.

This model is important for CCPs clearing equity and ETF cash market transactions to reduce the likelihood of end of day settlement fails to the CCP and avoid CCP buy-ins.

The Committee suggests compressing Clearing Members/Settlement Agents/Broker-dealers processes to 1-2 hours, though this may vary depending on the individual entity's set-up. This should enable cleared transactions from trading venues closing at 22:00 to be ready for settlement at 00:00 on T+1.

Priority – High

Who – Clearing Members, Settlement Agents, Broker-Dealers

When – October 2027

4.4 – Settlement Phase Recommendations

The recommendations below address the objective of maintaining high levels of settlement efficiency with efficient use of liquidity and inventory.

ST-01 – Instruction Management

ST-01.1 – Real-time processing of settlement instructions

Market participants should instruct settlements continuously throughout the trading day facilitating intra-day exception management of any settlement matching issues on Trade Date. Instructions should be submitted to Security Settlement Systems no later than 23:59 on Trade Date.

- **Overall aim:** To the greatest extent possible, T+1 instructions/transactions should be instructed and matched at (I)CSD level before the start of the settlement cycle. Where required, the 'Hold' functionality should be used to facilitate timely instruction and matching.
- **Trading Parties:** Settlement instructions should be processed in real-time after allocation / confirmation / trade booking. This will ensure sufficient time to cascade instructions through the chain of custody to the (I)CSDs for matching or identification and resolution of mismatches before the start of the settlement process.
- **Securities lending participant:** Where the instructing party is a securities lender/borrower, settlement instructions should be sent to the settlement agent / (I)CSD without delay to enable matching at the (I)CSD ahead of instruction close / settlement cutoff where relevant (noting that SFTs will not necessarily follow the same T+1 convention as cash market trades).
- **CCP:** Where the instructing party is a CCP, settlement instructions should be transmitted to the settlement agent / (I)CSD within a reasonable timeframe after the close of trading of their cleared venues, being early enough to reasonably enable counterparties to match at the (I)CSD prior to the start of the settlement window for such transactions.
- **CSDs / Custodians / Settlement Agents** should support real-time instruction processing and settlement status messaging. Should this not be possible, sufficient 'batches' should be established to ensure that instruction, matching and settlement are not delayed.

Rationale - Instructions should be injected to the (I)CSD at the earliest opportunity on Trade Date to enable settlement-level matching (SF2). This facilitates identification and resolution of discrepancies ideally prior to start of settlement process and completion of related processes such as depot management and funding. Where required, the 'Hold' functionality should be used to facilitate timely instruction and matching.

There is strong evidence of real-time or near real-time processing of settlement instructions by brokers, IM/AMs and custodians with some peaks noted around the market close through to 21:00 on Trade Date. Reasons for not instructing on the Trade Date include:

- 1) Allocation / confirmation delays
- 2) Missing or late static data such as SSIs and ISIN set-up
- 3) Place of settlement (PSET) discrepancies
- 4) Time-zone challenges and late booking of trades
- 5) NAV pricing delays
- 6) Incorrectly formatted settlement instructions and late give-ups after 17.30

For settlements with CCPs, this allows 60 minutes for Clearing Members and Settlement Agents to reconcile their CCPs' netting reports, allocate resources, send settlement instructions for both their CCP transactions and any associated OTC transactions to their custody and Settlement Intermediaries ahead of the start of the settlement cycle.

Priority – High

Who – Trading parties, Settlement Intermediaries

When – October 2027

ST-01.2 – Automated / STP instruction processing

All post-trade actors should support automated/STP instruction processing, eliminating fax and other non-standard / automated processes.

Rationale - Non-STP/automated processing will add unnecessary latency and operational risk to an already time-constrained operating environment. While a party may, in isolation, be able to support manual processing such an approach could be detrimental to their counterparty, participant, member or client and could increase the likelihood of exceptions, settlement failures and potentially also cash penalties.

Priority – High⁸

Who – Trading parties, Settlement Intermediaries

When –October 2027

ST-01.3 – Establish an Industry Taskforce to develop a single ‘gold standard’ format for settlement instructions

The Committee highlights that an Industry Taskforce, comprising representatives of the SMPG, (I)CSDs, Settlement Intermediaries and SWIFT, will be established in Q3 2025 to identify the technical issues and recommend change requests where required. Once the standard is finalised, it will require wide adoption of the agreed format by all market participants and (I)CSDs is required, at a date to be determined depending on what changes are required.

Rationale – The lack of standardised settlement instruction formats observed today contributes to the complexity in the settlement process. Discrepancies and inconsistencies in these formats, including non-compliance with SMPG standards and different requirements across (I)CSDs, settlement agents and custodians, require exception handling. In turn this strains resources, increases operational risk and delays instruction, matching and settlement processes.

Although not a ‘showstopper’, it is recognised that the development of a ‘gold standard’ format for settlement instructions, including cross-border templates to ease instruction processing of all settlement instruction types would promote STP and facilitate a timely cascade of settlement instructions to (I)CSDs, preventing unnecessary exception management and improving interoperability – including for ETFs. This would ultimately promote improvements in settlement efficiency and remove post-trade barriers to integration.

Priority – High

Who – EU T+1 Industry Committee

When – Q3 2025

⁸ The priority may be subjective, e.g. the impact of manual processing low volumes vs high volumes will differ greatly. The priority should consider detrimental impacts to both trading parties.

ST-01.4 – Custodians to offer PSAF information in Statement of Holding

Custodians to include PSAF information in Statement of Holding reporting to clients to provide transparency on depot location and enable accurate allocation by trading parties.

Rationale – To ensure accurate post-trade and pre-settlement processes, it is crucial to limit PSET issues and avoid the need to amend settlement instructions, which can add latency and cost to an already time-sensitive situation.

Priority – High

Who – Custodians

When – End 2026

ST-01.5 – Use of dynamic cash and stock forecasting tools

To optimise the management of resources, trading parties and Settlement Intermediaries should use automated tools to forecast funding and position needs (including borrowing and realignments), preferably on an intraday basis.

Rationale – These tools should support funding and position management and identify potential additional funding and/or liquidity requirements, such as extending credit ahead of respective currency and settlement cutoffs.

Priority – High

Who – Trading Parties, Settlement Intermediaries

When – October 2027

ST-01.6 – Use of Transaction type identifier in settlement instructions

SFTs and other transaction types need to be identified at settlement level by ensuring complete and consistent use of the existing “transaction type” field in settlement instructions.

- Market participants and (I)CSDs should agree on a consistent and clear best practice guidance for using the field based on the existing ISO transaction types available today
- All market participants and intermediaries should follow the guidance and use the field consistently to correctly represent the transaction that has been traded or instructed (should it be a post-trade administrative instruction)
- FMIs and Settlement Intermediaries should support the transaction types identified in the best practice guidance to cascade their client's instructions as instructed
- AMI-SeCo should consider whether and how to support the Committee in conforming with this requirement and ongoing adherence post 11th October 2027

Rationale - Each settlement message includes a field which allows the sender of the message to indicate the Settlement Transaction Type involved (*Securities Transaction Type* in ISO 20022 or *22F: SETR* in ISO 15022). While the use of this field is mandatory under Article 5.4 of the CSDR delegated regulation, it is not used consistently. This inconsistency makes it impossible to distinguish at settlement level between cash transactions and SFTs (or between any other transaction types).

Ensuring consistent use of the transaction type identifier offers several important benefits. It would ensure market participants comply with the CSDR regulatory technical standards, allowing CSDs to

report accurately, which enhances transparency. Additionally, identifying the transaction type would significantly improve operational efficiency, such as facilitating the automation of the manufactured payments process.

Priority – High

Who – Trading parties and Settlement Intermediaries

When – End 2026

ST-02 – Securities Settlement System Timings

ST-02.1 – SSS Opening

Securities settlement systems should open for settlement at the latest by 00:00 on SD and the first batch settlement in T2S should run at 0:00, with the same priority order as today.

Settlement instructions received by securities settlement systems after this time will still be submitted for settlement in subsequent cycles.

Rationale - It is important that securities settlement systems start no later than 00:00 on settlement day to maximise settlement time during the day and facilitate settlement by global investors.

From a T2S⁹ settlement efficiency perspective, two key timings are the C1S4 sequence and C2S4 sequence. The recommendation is to start these sequences at 00:00 and 02:00 (with an appropriate interval for market participants to receive reporting from C1S4 and react accordingly)). These events precede the T2S Real Time Settlement process.

N.B.: The ICSDs are expected to start settlement ahead of 00:00 to facilitate settlement APAC investors and APAC currencies. The ability of non-EUR / non-T2S CSDs to meet the relevant recommendation may be impacted by the opening hours of non-EUR Central Banks.

Priority – High

Who – (I)CSDs, NCBs

When – October 2027

ST-02.2 – SSS Closing: Establish a DvP cutoff of 16:00 for standard settlement in EUR and a FoP cutoff of 18:00

Rationale – Establishing a harmonised close of the DvP settlement window for standard settlement at 16:00, and of the FoP settlement window at 18:00 will ensure a high degree of standardisation for market participants promoting consistency and efficiency of funding and inventory management processes.

N.B.: Some outliers in EUR settlement may occur, e.g. ICSD settlement.

Priority – High

Who – (I)CSDs and NCBs

⁹ The Committee recognises that any decision on changes will be subject to T2S Governance to take into consideration of all potential impacts on other TARGET Services (T2, TIPS, ECMS) and stands ready to provide any additional information to support this recommendation.

When – October 2027

ST-02.3 – SSS Closing: Alignment of non-EUR European currencies to DvP cutoff of 16:00

Rationale – A harmonised close of the DvP settlement window for standard settlement at 16:00 across European currencies will ensure a high degree of standardisation for market participants promoting consistency and efficiency of funding and inventory management processes. This will address existing issues with cutoff times earlier than 16:00 PM in some European markets today and ensure improved interaction between EUR and other European currencies to support their respective securities markets.

Priority – High

Who – (I)CSDs and NCBs

When – October 2027

ST-02.4 – SSS Closing: Explore the establishment of a DvP cutoff of 17:00

The Committee recommends completing additional analysis for a possible future extension of DvP cutoff to 17:00 by the end of 2025. This analysis should assess the feasibility for all market participants, including FX, Securities Lending, Funding & Treasury Desks, considering different cutoffs for EUR, DKK and other EU currencies as well as other services offered by CSDs, and TARGET Services (i.e. T2, TIPS, T2S, ECMS).

Upon completion of the analysis, if the conclusion is to move the DvP cutoff to 17:00, a timeframe for implementation will be determined. Further details will be provided to the industry, noting that implementation will likely be post 11th October 2027.

Rationale – A harmonised end of the DvP settlement window for standard settlement at 17:00 could significantly enhance settlement efficiency and liquidity / inventory optimisation in a T+1 environment. However, a possible extension requires substantial additional analysis and is not considered a precondition for implementation by October 2027.

Priority – High

Who – (I)CSDs and NCBs

When – End 2025¹⁰

ST-02.5 – Interaction with other global regions

Consider the needs of interaction with other global regions when changing settlement windows in Europe

Rationale – European capital markets are multi-currency, with settlement taking place in European and global currencies. Changes to settlement practices should continue to enable access to global currencies, particularly APAC markets, in a T+1 environment.

Priority – High

Who – (I)CSDs and Settlement Intermediaries

¹⁰ For completion of the analysis.

When – October 2027

ST-03 – Tools and Functionalities

ST-03.1 – Partial settlement functionality (I)CSDs

Partial settlement functionality, including partial release, should be provided by all (I)CSDs without any exception.

Rationale – If (I)CSDs don't offer the functionality, their participants including custodians / settlement agents cannot in turn provide it to trading parties and securities lending participants. This leads to lower settlement efficiency and the use of inefficient workarounds such as manual partials, which can result in LMFPs and time-consuming bilateral claims.

Priority – High

Who – (I)CSDs

When – October 2027

ST-03.2 – Partial settlement functionality (Intermediaries)

Partial settlement functionality, including partial release, should be supported by all intermediaries to allow the instructing party use of the functionalities

Rationale – If intermediaries don't offer the functionality to trading parties and securities lending participants, it leads to inefficient workarounds such as manual partials, which can result in LMFPs and time-consuming bilateral claims.

Priority – High

Who – Settlement Intermediaries

When – October 2027

ST-03.3 – Establish Industry Taskforce to develop Partial Settlement Market Practice

The Committee highlights the importance of developing a market practice mandating use of partial settlement as a default, except for specific and well-documented use cases. It also emphasises examining factors which may hinder the wide-spread adoption of partial functionalities.

Rationale – Currently, the offering and particularly usage of partial settlement functionalities in European markets is piecemeal. At the same time, partial settlement and partial release are recognised as key functionalities to optimise use of inventory in the settlement process and facilitate a high level of settlement efficiency. A well-founded cross-sectorial market practice promoting use of partial settlement and partial release will support the market's transition to T+1 and optimise liquidity. Therefore, an Industry Taskforce should be formed under the oversight of the Committee to consider the settlement process and identify whether technical changes at FMI level are required to support wider use settlement, including exception management.

The market practice should consider factors to promote wide adoption of partial settlement functionalities, such as reducing cost disincentives and operational aspects like alignment with minimum trading size. The Industry Taskforce should also assess underlying business flows and document possible exceptions. Examples of flows warranting careful exploration and potential

exemption include Portfolio Transfers and Securities Lending due to contractual documentation and operational capabilities to ensure fair treatment of clients.

Priority – High

Who – EU T+1 Industry Committee

When – Q3 2025

ST-03.4 – Inclusion of partial settlement window in the first cycle of T2S NTS (C1SX)

To take advantage of partial settlement as soon as possible during the settlement process, it is proposed to introduce an additional partial settlement window in the first cycle of T2S NTS. Currently there is a partial settlement window only in the second cycle of T2S NTS.

Rationale: To improve settlement efficiency by enabling partial settlements to occur earlier in the day, thereby enhancing the overall settlement process.

Priority – High

Who – T2S

When – October 2027

ST-03.5 – Hold & Release functionality - (I)CSDs

Hold & Release functionality to be provided by all (I)CSDs without any exception

Rationale – If (I)CSDs don't offer this functionality, their participants may choose not to instruct until inventory and funding are confirmed. This can delay the achievement of Settlement Finality stages 1 (SF1 entry) and 2 (SF2 irrevocability / matching), impacting the instructing party and counterparty. Hold & Release is crucial for promoting timely insertion of instructions, allowing for 'matching on-hold' and enabling Trading Parties and intermediaries to use hold and release for operations such as business prioritisation, CCP buy-in management, omnibus account management, and credit line/resource management.

Priority – High

Who – (I)CSDs

When – October 2027

ST-03.6 – Hold & Release functionality - Intermediaries

Hold & Release functionality should be supported by all intermediaries to allow the instructing party, Clearing Member, or Settlement Agent to utilise these functionalities.

Rationale – If intermediaries and CCPs do not offer the Hold & Release functionality, Trading Parties and securities lending participants cannot use it for control, prioritisation, and to support settlement matching and exception identification. Ideally, transactions on hold should be released by end of Intended Settlement Date (ISD), subject to inventory, to ensure timely settlement and avoid knock-on effects on funding, liquidity and other post-trade activities. This is of particular importance for cleared transactions to prevent CCPs from being left with a position at the end of ISD.

The widespread use of 'Hold and Release' is recommended in all cases where a delay in instruction could otherwise lead to a delay in achieving matching and timely settlement.

Priority – High

Who – Settlement Intermediaries, CCPs

When – October 2027

ST-03.7 – Intermediaries use of 'Hold & Release'

In cases where resources (Cash / Stock) are not yet in place, if required Settlement Agents and Custodians should use the 'Hold' functionality to enable early (I)CSD level matching and issue/exception identification and resolution.

Rationale – Custodians / settlement agents who delay instructing the (I)CSD until resources (cash / stock) are in place deny their clients the ability to match and resolve exceptions promptly, increasing the risk of settlement fails and LMFP for their clients and their counterparties. The use of 'Hold' and 'Release' should enable timely matching while providing safeguarding functionality for securities and cash. This avoids improper or unauthorised use of clients' assets, thereby preventing breaches of asset safety obligations.

Market participants should ensure that thorough proactive matching and exception management, and adequate provision of intra-day liquidity are in place so that the use of 'Hold' does not become a barrier to timely settlement. Held instructions should be released as soon as possible and in sufficient time to allow settlement, avoiding any detrimental impact to their counterparty, member or client that may increase the likelihood of exceptions, settlement fails and potentially cash penalties.

Priority – High

Who – Settlement Intermediaries, Clearing Members

When – October 2027

ST-03.8a – Allegements - (I)CSDs

(I)CSDs should support the identification and reporting of allegements without any exception.

Rationale – Allegement reporting by (I)CSDs provides (I)CSD participants with crucial information to investigate and resolve matching exceptions promptly. In turn this helps avoid LMFP, settlement fails and promotes a high level of settlement efficiency.

Priority – High

Who – (I)CSDs

When – October 2027

ST-03.8b – Allegements (Intermediaries)

Settlement Intermediaries should support the identification and reporting of allegements without exception.

Rationale – Allegement reporting by Settlement Agents and Custodians provides clients with crucial information to investigate and resolve matching exceptions promptly. In turn this helps avoid LMFP, settlement fails and promotes a high level of settlement efficiency.

Priority – High

Who – Settlement Intermediaries

When – October 2027

ST-03.9 – POA Functionality

POA functionality, including instruction of 'already matched' where applicable, should be provided by all (I)CSD and Settlement Agents without any exception. This includes T2S already matched POA services being offered by CSDs to both DCP & ICPs

Rationale – CCPs can make the Clearing Member (CM) /Settlement Agent (SA) pre-settlement process more efficient via the CSD power of attorney (PoA) model, whereby the CCP instructs to the CSD directly on behalf of the CM/SA by PoA. While CCPs already provide these services, with some making CSD PoA mandatory, not all (I)CSDs fully offer this functionality, meaning it is not available in all EU markets. In a post-trade T+1 environment with less time for post-trade processes, the possibility to use the CSD PoA model across all CSDs would harmonise those benefits. If (I)CSDs don't offer the functionality, CCPs cannot utilise POA and 'already matched' to maintain the efficiency of CCP and CM processes. This can result in latency of instruction injection and matching processes, impacting settlement and liquidity efficiency.

Priority – High

Who – (I)CSDs, CCPs, Clearing Members, Settlement Intermediaries

When – October 2027

ST-03.10 – Liquidity Tools & Functionalities

Exploration of existing functionalities and tools offered by (I)CSDs, NCBs and Settlement Intermediaries which support efficient liquidity management.

Rationale – Optimisation of liquidity can be achieved via automated facilities which reduce latency in the settlement process, e.g. standing orders, auto-collateralisation in addition to firms own discretionary tools and services to optimise liquidity.

Priority – High

Who – (I)CSDs, NCBs, and Settlement Intermediaries

When – End 2025

ST-03.11 – Timely processing of transactions in non-EU currencies

Trades in currencies such as APAC, Middle East and ZAR currencies should be booked promptly after execution. In combination with intraday trade and settlement level matching, this will enhance the ability to meet funding deadlines.

Rationale – Improve Trading Party settlement readiness by having sufficient cash balances to settle on ISD, reduce settlement risk, limit the cost of overdraft and credit lines, and reduce the risk and liability for custodians granting credit / overdrafts.

Priority – High

Who – Trading Parties

When –end of 2026

ST-03.12 – Auto-borrowing facilities

(I)CSDs and intermediaries are encouraged to offer auto-borrowing functionality to their clients where feasible. Where they have access to the service, participants are encouraged to sign up as borrowers to auto-borrowing or automatic pool lending facilities and, where practicable, to sign up as lenders.

Rationale – Auto-borrowing facilities are an important tool to support settlement efficiency. Broader availability and usage of this tool would facilitate a smooth transition to T+1 helping to maintain current settlement efficiency levels.

Priority – High

Who – (I)CSDs, Settlement Intermediaries, Trading Parties

When – October 2027

ST-03.13 – Maximising bilateral and multilateral netting

Parties are encouraged to cooperate to maximise both bilateral and multilateral netting, including greater use of pair-offs to reduce settlement cost and risk. To avoid delays arising from the time needed to agree pair-offs, Trading Parties and their intermediaries should aim to standardise and automate this process as much as possible. This includes devising cross-industry market practice and standards, leveraging the ERCC's pair-off template, which applies to both internal process (manual or automated) and third-party services.

Rationale -Maximising netting opportunities will be crucial for sustaining current levels of settlement efficiency in a T+1 environment and reducing pressure on the settlement infrastructure. Further automating the process, especially bilateral netting ("pair-offs"), will help firms to take full advantage of netting opportunities. The recommendation builds on existing industry best practices.

Priority – Medium

Who –Trading Parties and Settlement Intermediaries

When – October 2027

ST-03.14 – Auto-collateralisation facilities

Auto-collateralisation facilities should be made available to all market participants to support intraday liquidity provision, either through the relevant CSDs or intermediaries. The recommendation applies to T2S auto-collateralisation, as well as equivalent tools provided by non-T2S CSDs or Settlement Intermediaries.

Rationale – Addresses intraday liquidity challenges and constraints.

Priority – High

Who – (I)CSDs, Settlement Intermediaries

When – October 2027

4.5 – Asset Management Recommendations

Flexibility in settlement cycles is necessary for investment managers to maintain operational stability and to facilitate international distribution models for EU domiciled funds. However, diverging settlement cycles between assets and liabilities creates significant challenges for liquidity management, performance and regulatory compliance:

- **Liquidity management:** While the settlement of in-scope EU/EEA securities will transition from T+2 to on T+1 effective 11th October 2027, settlements of subscriptions and redemptions of fund units can vary among T+2, T+3 and T+4. This creates a mismatch in timings of investment fund subscription/redemption related cash inflows and outflows, which can settle two business days or longer, versus cash settlement of securities bought and sold by the investment fund, which may be exacerbated with the move to T+1.
- **Performance:** Asset managers utilise a number of mechanisms to address the settlement mismatch. These include use of extended settlement (OTC), overdrafts, cash sweep, derivatives and the maintenance of cash buffers. All these strategies carry a cost and cause a performance drag on the fund.
- **Regulatory Compliance:** The UCITS Directive places limits on the amount of deposits that funds can hold (expressed as a percentage of assets) and of the amount of cash that they can borrow (See, Articles 50, 52 and 83): the ability to comply with this requirement could be affected to the extent managers are left with more cash in the investment fund as a result of liquidity mismatches.

AM-01 – Settlement cycles for funds' units

Investment management firms should aim to reduce settlement cycles for subscriptions and redemptions of investment funds units to T+2 while at the same time retaining sufficient flexibility where needed and not penalising investment funds where transitioning to T+2 settlement is not feasible (e.g., for distribution or operational considerations).

Rationale - At present, investment funds' units settle in a range from T+2 to T+4 in the EU, with the majority settling on T+3 or T+4, while securities settle on a T+2 basis. To maintain the status quo and to reduce the risk of potential breaches to investment guidelines (cash deposit limits, borrowing limits), as well as to reduce complexity and costs in liquidity management, funds' units settlement cycle should be reduced where there is an opportunity to do so. Given the complexities involved, it is recognised that the adoption of such a change may not always be practicable or possible by 11th October 2027. Therefore, investment managers are invited to reassess their funds' settlement cycles. They may consider reducing them to T+2, or if possible, to T+1, but they may also conclude that the use of longer settlement periods is appropriate where necessary (e.g., for distribution or operational considerations).

Priority - High

Who - Investment management firms, investment funds' service providers and distribution channels

When – October 2027

AM-02 – Cash breaches

Regulatory clarification should be provided to ensure that cash breaches caused by settlement misalignment are categorised as passive and non-reportable. Such clarification should lead to a consistent and harmonised interpretation across the EU/EEA of the deposit and borrowing limit rules to be applied at the Member State NCA level.

Rationale - At present, primary market orders in ETFs that include Asian securities are placed on a T-1 basis, i.e., an order placed today would have a Trade Date of tomorrow. However, secondary market transactions in the same ETFs tend to settle via the default settlement cycle in the market in which they are listed. In this context, the adoption of T+1 without further adaptation would cause secondary market transactions that rely on creation via the primary market to fail. A secondary market trade on an EU/EEA venue today would settle tomorrow, however, the creation order placed today would have a Trade Date of tomorrow (i.e., T+1) and would Settlement Date the day after (i.e., T+2).

A solution that has been proposed is to settle ETF creations on an “indicative” basis on T+0 using an estimated NAV with a subsequent “true-up” process to address any differences between estimated and final settlement amounts once the underlying basket of securities has been traded. This may result in a “long” cash breach of the above-mentioned 20% limit under the UCITS Directive when creation size is greater than 20% of the ETF’s assets under management (AUM).

On review of historical data provided by ETF providers, it would seem that adoption of the “indicative” T+0 settlement approach described above (e.g. for ETFs tracking benchmarks containing APAC securities) would result in a significant number (hundreds, possibly thousands) of additional cash limit breaches on an annual basis as compared to the current status quo. The impact to ETF providers is likely to vary depending on the number of ETFs containing APAC securities, the AUM in the funds and the frequency of larger orders relative to AUM. However, most providers indicated the likelihood of cash breaches rising from as little as a few per year to as many as several per week. To maintain settlement discipline for T-1 ETFs it is necessary that cash breaches are deemed passive and non-reportable to minimise the administrative and operational burden caused by the potential spike in instances where ETFs may breach long or short cash limits.

It is recognised that, albeit to a lesser extent, non-ETF UCITS are also concerned by misalignments: this bears continued assessment before implementation of T+1 and after.

Priority – High

Who – EU T+1 Industry Committee (to seek regulatory guidance from ESMA, NCA level)

When - End 2026

4.6 – FX Recommendations

FX-01 – FX Lifecycle

Market participants should consider in their planning how they will engage with custodian/third party providers to successfully execute foreign exchange (FX) transactions in time to ensure successful processing across the full FX lifecycle from trading to settlement. Key considerations include:

- liquidity patterns for Czech Koruna (CZK), Polish Zloty (PLN), Romanian Leu (RON) and Icelandic Krona (ISK);
- partial settlements of securities (and the potential increase in the frequency of this);
- impact on FX requirements of late trading in other asset classes; and
- the need or desire to allocate a securities trade as soon as possible.

Priority – High

Who – FX Market Participants

When – As soon as practicable

FX-02 – Partial Settlement

Market participants should consider and review with custodian/third party providers the potential increase in the partial settlements of securities and how this could impact decisions regarding how and when to fund FX requirements, keeping in mind the goal of reducing FX settlement risk.

Priority – High

Who – FX Market Participants

When – As soon as practicable

FX-03 – Settlement Risk

For any FX trades settling outside of PvP mechanisms, FX Market Participants will need to review their practices to reduce FX settlement risk in line with the FX Global Code.

Priority – High

Who – FX Market Participants

When – Ongoing

FX-04 – PvP Mechanism

Market participants will need to continue engagement with custodians and complete assessment of instruction methods (e.g., cutoff alignment after EU market closes, functions available to accommodate currency holidays, etc.). CLS is expected to continue assessment of any impact on settlement risk reduction via CLS from shortened security settlement cycles. FX transactions must be dealt, processed, and submitted to CLS no later than 00:00 on settlement day (SD) to ensure their inclusion in the CLS settlement cycle.

Rationale – To ensure that any PvP eligible FX transactions continue to settle via a PvP mechanism (e.g., CLS). FX transactions will need to be dealt, processed, and submitted to CLS no later than 00:00 on settlement day (SD) to ensure their inclusion in the CLS settlement cycle.

Priority – High

Who – FX Market Participants

When – Ongoing

4.7 – Corporate Events Recommendations

The Committee identified the necessary changes to achieve higher automation of corporate events processing in view of T+1 and analysed the potential implications of T+1 for the processing of corporate events. It is assumed that previously identified issues concerning the processing of corporate events on multi-listed and multi-traded securities will be resolved automatically with the realignment of the EU and North American standard settlement cycles, together with the proposed move of the United Kingdom and Switzerland to a T+1 settlement cycle as of 11th October 2027.

Three priority recommendations relating to corporate events have been identified that bear on the transition to EU T+1:

1. Alignment of corporate event key dates with the new (T+1) standard settlement cycle.
2. Automation of buyer protection processing.
3. Automation of market claim processing.

Further details on each of these are provided below.

In addition, as T+1 reduces the timeframe for processing of corporate events, relevant market stakeholders need to address remaining gaps in compliance with European corporate event standards in time for the transition to a T+1 settlement cycle; with less time to process instructions, market-wide compliance with agreed market standards is imperative to reduce risk and ensure instructions are processed on time.

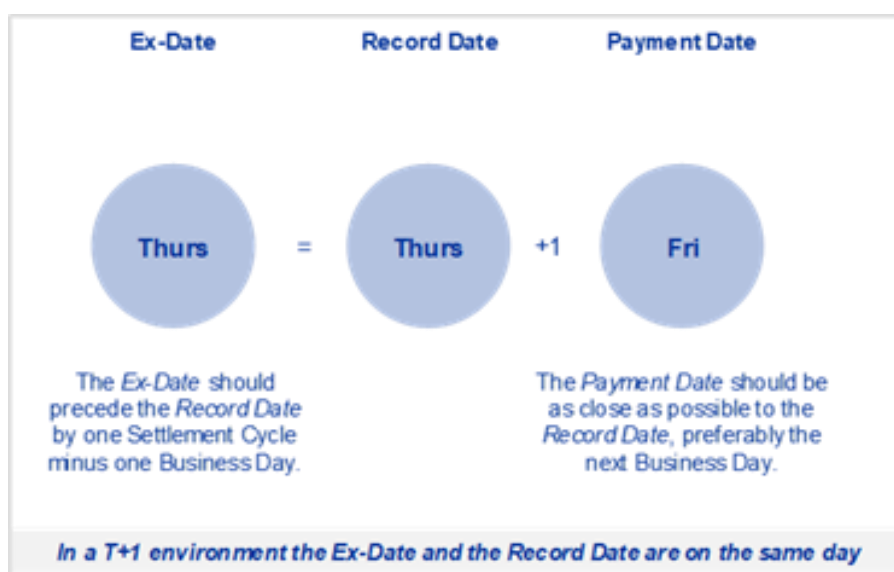
CE-01 – Alignment of corporate event key dates with the T+1 standard settlement cycle

The period of time (“interval”) between the key dates of a corporate event are linked to the settlement cycle. Accordingly, the change in the standard settlement cycle from T+2 to T+1 will have an impact on the sequence of these key dates. It should be noted that the changes described below relate to changes in behaviour/systems rather than to the corporate event standards themselves: no changes to the standards are foreseen as the standards already link the sequence of corporate event key dates, as well as the length of the interval between key dates, to the standard settlement cycle).

Key dates for distributions

For distributions, corporate event standards stipulate that the interval between the ‘ex-date’ and the ‘record date’ is one business day less than the standard settlement cycle. In a T+2 environment, this means that there is one business day between the ‘ex-date’ and the ‘record date’. In a T+1 environment the ‘ex-date’ (which begins at the start of the day) and the ‘record date’ (which is a snapshot taken at the end of the day) will need to be on the same day, as is illustrated below:

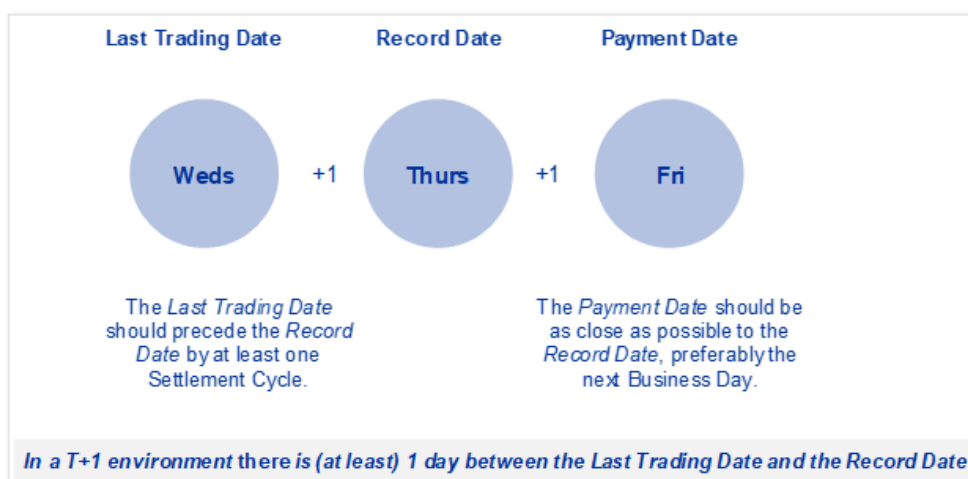
Figure 3: Key dates for distributions in a T+1 environment



Key dates for mandatory reorganisations

For mandatory reorganisations, corporate event standards stipulate that the 'Last Trading Date' should precede the 'Record Date' by at least one standard settlement cycle. In a T+2 environment, this means that there are at least two business days between the 'Last Trading Date' and the 'Record Date'. In a T+1 environment the interval must be at least one business day, as illustrated below:

Figure 4: Key dates for mandatory reorganisations in a T+1 environment



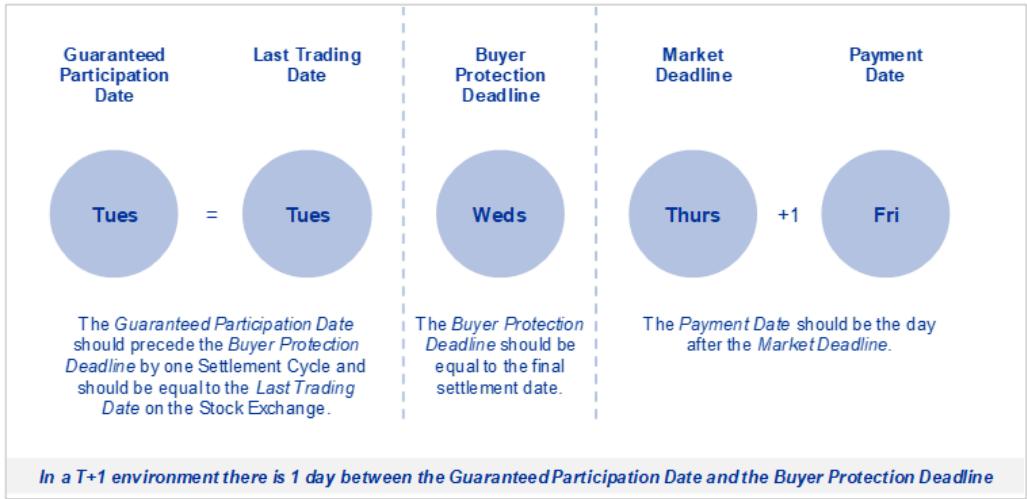
Key dates for mandatory reorganisations with options

For mandatory reorganisations with options, corporate event standards stipulate that the interval between the 'Guaranteed Participation Date' and the 'Buyer Protection Deadline' is equal to the standard settlement cycle. In a T+2 environment, this means that there are two business days between the 'Guaranteed Participation Date' and the 'Buyer Protection Deadline', and at least three business days between 'Guaranteed Participation Date' and the 'Market Deadline'.

In a T+1 environment, these time periods will be reduced so that there will be one business day between the ‘Guaranteed Participation Date’ and the ‘Buyer Protection Deadline’, and two business days between the ‘Guaranteed Participation Date’ and the ‘Market Deadline’.

The intervals between the key dates in a T+1 environment are illustrated below:

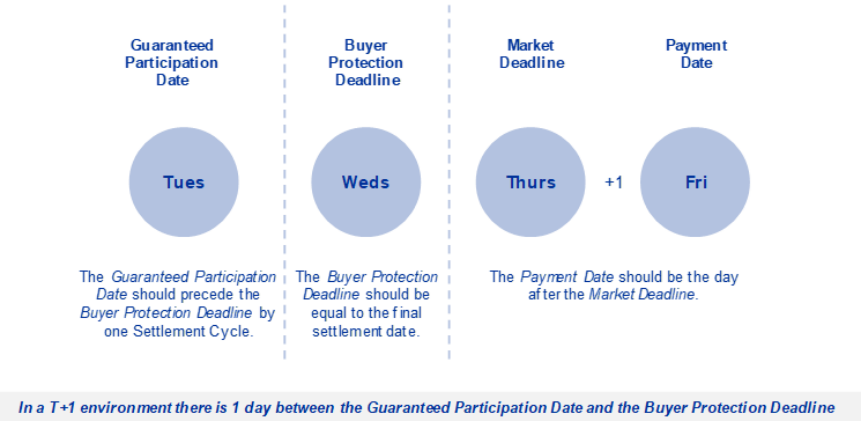
Figure 5: Key dates for mandatory reorganisations with options in a T+1 environment



Key dates for voluntary reorganisations

For voluntary reorganisations, corporate event standards stipulate that the interval between the ‘Guaranteed Participation Date’ and the ‘Buyer Protection Deadline’ is equal to the standard settlement cycle. In a T+2 environment, this means that there are two business days between the ‘Guaranteed Participation Date’ and the ‘Buyer Protection Deadline’, and at least three business days between ‘Guaranteed Participation Date’ and the ‘Market Deadline’. The sequence of key dates in a T+1 environment (which are the same as those for mandatory reorganisations with options, except there is no last trading date) is illustrated below:

Figure 6: Key dates for voluntary reorganisations in a T+1 environment



Key dates for corporate events announced before, but settling after, the transition to T+1

A standard rule for managing corporate events announced before, but settling after, the transition to a new standard settlement cycle is needed. As a general recommendation, issuers are advised not to announce corporate events with key dates falling during the transition to the T+1 settlement cycle, i.e., between Monday 4th October 2027 and Friday 15th October 2027. Should the announcement of a corporate event during this period become unavoidable, the following rule approach be applied when determining the ex-date on distributions:

- If the Record Date is Monday 11th October 2027, the Ex-Date should be Friday 8th October 2027.
- If the Record Date is Tuesday 12th October 2027, the Ex-Date should be Tuesday 12th October 2027 - this should be the first day applying the T+1 settlement convention to the Ex-Date process.
- No Ex-Dates should apply on Monday 11th October 2027.

The approach outlined above is consistent with the approach followed in the U.S. migration to T+1.

Rationale – The sequence of key dates must be aligned with the standard settlement cycle.

Priority – High.

Who – Trading Venues, CSDs and Settlement Intermediaries

When –October 2027 (interim milestones to be added).

CE-02 – Automation of buyer protection processing¹¹

Buyer protection is a process by which a buyer, who has yet to receive underlying securities subject to an elective corporate action, instructs its account provider/servicer in such a way as to receive the corporate action proceeds of his or her choice. Harmonised automated workflows for the processing of buyer protection instructions should be implemented with the view of T+1.

Rationale - T+1 reduces the timeframe for processing of corporate events; with less time to process instructions, automation is imperative to reduce risk and to ensure instructions are processed timely. In the case of buyer protection, the timeframe to affect all necessary operational processes between 'Guaranteed Participation Date' and 'Buyer Protection Deadline' and 'Market Deadline' will be reduced by one day in a T+1 environment. For a trade executed on the 'Guaranteed Participation Date, the following processes may, or will, need to take place on that date:

- i. settlement instructions sent.
- ii. intermediaries to receive the settlement instructions and identify any pending corporate action for that security.
- iii. intermediaries may need to send corporate action notifications through the custody chain.
- iv. the buyer and intermediaries may need to process a buyer protection instruction, and/or an election instruction.

For trades executed towards the end of the day on Guaranteed Participation Date, these processes will need to complete by the end of the next business day.

To ensure these processes can be completed within a shorter time frame, many of these activities will need to be highly automated. Buyer protection instructions currently are mostly processed on a manual

¹¹ The Industry Committee notes that the usable ISO20022 messages are already in place, and that a change request to also enable the use of ISO15022 is under discussion.

basis in Europe. In a T+1 environment, automated buyer protection functionality would be much more likely to ensure timely and efficient processing of buyer protection instructions. This would reduce risk to the buyer and ensure investors are protected. This process would also ensure that these transactions are available for settlement at the earliest opportunity.

Priority – High.

Who – CSDs, Settlement Intermediaries.

When –October 2027 (Timeline to be validated by September 2025).

CE-03 – Automation of market claims processing

A market claim is a process to reallocate the proceeds of a distribution to the contractually entitled party. Harmonised automated workflows for the processing of market claims should be implemented in view of T+1.

Rationale - T+1 reduces the timeframe for processing of corporate events; with less time to process instructions, automation is imperative to reduce risk and ensure instructions are processed timely. In the case of market claims, CSDs need to provide information regarding creation and status of market claims to their members, and CSD members need to be able to communicate requests for amendments of market claims to the CSDs. Since CSD members often act on behalf of underlying clients, the need for communication is propagated throughout the chain of intermediaries. Although CSD generation of market claims is largely automated, reporting on the generation and cancellation of market claims is mostly performed manually today due to the very limited adoption of ISO messages for market claims processing. In 2018, the former T2S Subgroup on Corporate Actions (CASG) supported an SMPG proposal to create a new message to automate such flows and recommended the adoption and implementation of such messaging solution. These messages have not yet been widely adopted, however. A requirement to implement such messages (i.e., seev.050 to seev.053) – to automate these workflows in a harmonised manner - should therefore be included in the corporate event standards.

Priority – High

Who – CSDs, Settlement Intermediaries.

When –October 2027 (interim milestones to be added).

4.8 – SFT Recommendations

Securities Financing Transactions (SFTs) are integral to the functioning of the wider financial ecosystem. Given their inherent role in supporting firms' cash market trading and liquidity management, SFTs will be disproportionately impacted by the move to T+1 and have therefore been an important focus area. As most of the measures and recommendations that have been considered critical from an SFT perspective are not limited to SFTs in isolation, these have been captured in other sections of this report, particularly sections 4.1 (trading), 4.2 (matching and confirmation) and 4.4 (settlement). The following is a sub-set of recommendations that are more unique to SFTs themselves.

SF-01 – Further analysis of potential settlement optimisation for SFTs

The transition to T+1 in the cash market means that a significant share of the repo market is expected to move to same day settlement (T+0). This presents significant risks and challenges in terms of intraday liquidity consumption and settlement efficiency. To mitigate these impacts, further measures are needed ahead of the T+1 implementation date to optimise SFT settlement. While this is subject to further discussion and analysis, the SFT workstream has identified the introduction of a batch settlement cycle during the day as a possible effective mitigating measure, ideally at 12:00.

Rationale – See Box 1 below for further explanations

Priority – High

Who – (I)CSDs

When –Ongoing

SF-02 – Collateral and Loan Release Practices

SF-02.1 – Pro-rata loan releases

Formalise pro-rata loan release based on received collateral (covering both bilateral and triparty collateral) through the development of an industry best practice.

Rationale – Overall collective inventory management process taking into consideration exposures and margin calls

Priority – High

When – End 2026

SF-02.2 – Triparty RQV collateral tools and logic-based models

Promote use of triparty RQV collateral tools and logic-based models to support real-time loan release and reduce manual dependencies through the development of an industry best practice.

Rationale – Contributes to bigger efficiency picture connecting underlying loans to collateral requirements

Priority – High

When – End 2026

SF-03 – Notifications from buy-side to lending intermediaries of sales

Buy-side participants to provide notification to lending intermediaries of any sales as soon as possible after execution to expedite any potential recalls within the cutoff times

Rationale – Addresses communication of late sale instructions to trigger recalls as soon as possible where required

Priority – High

Who – Trading Parties (when selling securities)

When – October 2027

SF-04 – Same-day returns for securities lending transactions

Advocate for greater use of same-day returns, subject to a 2-hour minimum buffer before settlement deadlines.

Rationale—This recommendation is not intended to suggest that returns of new loans occur on the same day: firms currently address this already with minimum borrow period requirements in place. This recommendation envisions allowing borrowers to return securities on T+0 subject to clear communication with the lender, rather than waiting to return on T+1. Although not the norm, it is believed this can aid fail mitigation and increase return flexibility – and therefore should be encouraged.

Priority – Medium

Who – Trading Parties (Securities lending only)

When – End 2026

SF-05 – Automation of securities lending recalls and return instruction flows

Promote automation of securities lending recalls and return instruction flows using electronic messaging with defined data standards.

Rationale – In accordance with best practices developed by ISLA.

Priority – High

Who – Trading Parties (Securities lending only)

When – End 2026

BOX 1: Optimisation of settlement for repo: Additional batch / net settlement cycle

The Committee considered the proposal by the SFT workstream to introduce an additional batch / net settlement cycle (in T2S and, where appropriate, non-T2S CSDs) during the day (ideally around 12:00) to address concerns about intraday liquidity and settlement efficiency resulting from the late injection of instructions, especially considering significantly higher volumes of repos traded on a T+0 basis.

A final recommendation on the proposal has not been included, as further discussion and analysis over the suitability and feasibility of the proposal in the timeframe for the move to T+1 is required. The below section presents the rationale and preliminary quantitative data supporting the proposal.

Detailed Background:

Today, the EU repo market mainly trades on a T+2 settlement basis, with a smaller but significant proportion traded for settling on T+1 settlement. Only a small subset of the EU repo market is traded today for same-day settlement (T+0).

Following the EU transition to T+1, a large proportion of the repo market will have to move to a shorter settlement cycle (T+1 or even T+0) to accommodate the cash market activity in terms of funding and financing.

There is uncertainty as to how much repo activity will move to T+0 as opposed to T+1, but it is expected to be significant.

The UK repo market may be taken as a useful reference point, given that the gilt cash market already settles on T+1 today. In aggregate, around 43% of the gilt repo market (on-venue and OTC) is traded for same-day settlement (T+0), although there is a clear difference between the D2D market (which is concentrated on Trading Venues and mainly settles on a T+1 basis) and the D2C market (which is concentrated in OTC and settles mainly on a T+0 basis).

In a recent ERCC consultation, market participants were asked to estimate the share of their EU repo activity (in value terms) that would move to T+1 and T+0 settlement, respectively, when the cash market moves to T+1. The results put this figure at circa. 20% (on average), i.e., significantly lower than the respective share in the UK. However, it is important to note that respondents' estimates vary substantially (from 1% to 75%), and that buy-side expectations are generally higher (and underrepresented in the sample). Taking this into account and considering the UK precedent, 20% is therefore likely a very conservative estimate and the lower bound of likely outcomes.

A significant move to T+0 settlement for repo will create important challenges and risks, both from an intraday liquidity and a settlement efficiency perspective. It is expected that most repo trades for same-day settlement will be executed in the morning, which is supported by the current data as well as by responses to the ERCC survey. Those transactions will have to settle in the RTS cycle at some point during the day on a gross basis. Assuming no changes to the current approach, this would mean that this activity is only not subject to any limited netting (e.g. as part of the technical RTGS setup in T2S) and would significantly inflate the related settlement volumes compared to today, when most repos are subject to CCP-netting and/or settlement netting (bilateral and/or NTS).

It is impossible to predict future market behaviour precisely. However, to optimise intraday liquidity consumption and related costs, parties will have a clear incentive to hold back deliveries until they receive the related inventory/cash through other trades, thereby holding up settlement chains – repo rolls are a good illustration of this problem, although it is applicable more broadly to all trade scenarios that give rise to netting opportunities.

This could mean that settlement of T+0 repos is being pushed towards the end of the day, which raises concerns in terms of the overall efficiency of the system and would create significant risks in terms of settlement efficiency.

Given the size of the activity affected, the members of the workstream are of the strong view that a potential systemic risk issue is presented that requires consideration of effective mitigating measures.

An additional settlement batch during the day, as recommended by the SFT technical workstream, is the best solution to address the concern expressed above effectively. Feedback received from market participants in response to the ERCC survey supports this conclusion, with 85% of respondents supporting an additional batch as the best mitigating measure.

The main benefits of an additional batch (net settlement) cycle during the day are considered to include:

- **Gating event:** The additional batch settlement cycle would provide an important incentive for parties to instruct T+0 repos early in the day (shortly after execution) to benefit from net settlement, thereby mitigating the dynamic described above.
- **Efficiency gains:** Net settlement of the impacted large repo flows provides significant additional efficiencies.
- **Repo identifier:** Benefits would be compounded if repo instructions were systematically identified by means of a transaction type identifier (and could therefore all settle on a net basis in the additional cycle).

4.9 – Legal & Regulatory Recommendations

LR-01 – National Specificities

National specificities may need to be addressed by impacted market participants or subjected to further monitoring or analysis (e.g., registered shares, shortening of the SEPA Direct Debit Core to D-0) to adapt to a T+1 environment.

Although some issues might involve legal and regulatory changes at the national level, no specificities that would require modification of law, regulation or other guidance at EU level have been identified.

Therefore, the technical workstream will continue to monitor and record any national specificities that would impact the shortening settlement cycle.

In addition, some National Competent Authorities (NCAs) are engaging in discussions to identify all relevant specificities that would need to be addressed at the national level through legal and regulatory changes before the transition to T+1.

It is also noted that to avoid misalignment among the 27 EU states and the 3 EEA states on the implementation date, the latter group of states should implement the same changes in their respective national laws according to the same timeframe as the EU. Currently there is no indication that any delay to EEA transposition is likely.

Rationale – To identify and address any national-specific issues which would affect the successful implementation of T+1 settlement.

Priority – Low

Who – EU T+1 Industry Committee

When - Ongoing

LR-02 – Unharmonised insolvency protections

Review the opportunity to harmonise in the EU legal protections granted to settlement agents along the intermediary chain in case of insolvency, to create a harmonised protection environment for settlement. This analysis could be supported by comparative survey of the current state of play in each Member State.

Rationale - National legislation across Member States does not seem to provide the same level of certainty and protection to a settlement agent/custodian across the EU, resulting in an overall increase of complexity to mitigate pre-settlement risks.

Analysis should focus on a 'right of retention' versus a 'right of retention and right of sale' of the assets that are settled by a settlement agent on behalf of the investor client (or by any intermediary acting on behalf of another party further up the custody chain).

In case of insolvency of the client after the settlement instructions are irrevocably matched, the availability of an immediate right of sale allows the settlement agent or custodian to be more strongly protected by providing a right, which can be exercised immediately, to sell the assets received to satisfy its claim on the investor client for repayment of funds advanced by the agent to achieve DvP settlement, without a need to wait for an authorisation by an insolvency liquidator. This mitigates/reduces pre-settlement risk.

The analysis should focus on the impact of a 'right of retention' versus a 'right of retention and right of sale' of the assets that are settled by a settlement agent on behalf of the investor client, to check (i) how many countries currently offer/do not offer right of sale and why, and (ii) whether right of sale is capable

of providing adequate market-wide protection, and (iii) whether alternative legal arrangement(s) (if not the right of sale) could be implemented to achieve the same result.

Priority - Low¹²

Who - Member States and European Commission

When - European Commission to conduct initial analysis based on feedback to consultation on capital markets integration.

BOX 2: Temporary suspension of CSDR cash penalties

The Committee has also considered the need to create a regulatory mechanism to allow for a temporary disapplication of the CSDR cash penalties for a time-limited period should it be deemed necessary while ensuring that at CSD level, IT process is kept, data is still collected, and settlement efficiency monitored.

The Committee notes the approach taken by the co-legislators to address the issue, following the political agreement reached in a trilogue meeting on 18 June 2025 which includes a recital on a possible suspension of cash penalties. The recital empowers the European Commission to consider adjusting Delegated Regulation (EU) 2017/389 or to take an appropriate measure to temporarily suspend cash penalties where a material risk in settlement fails is identified. In this context, the European Commission will keep track of the market developments, the volume of settlement fails and the readiness of the industry. The Committee is ready to assist as needed.

¹² Although this is generally not considered critical for T+1 adoption, some stakeholders consider this to be highly important in the broader harmonisation context.

5. Annex

5.1 – Recommendations Summary Matrix

Topic	Name of Recommendation	Who	When
Trading	TR-01 – End of day signal from TVs to CCPs	Trading Venues, CCPs	End of 2026
	TR-02 – Trading venues' rulebooks	Trading Venues	End of 2026
	TR-03 – Liquidity	EU T+1 Industry Committee	October 2027 (pre- and post- go-live date)
	TR-04 – Recall and Return Framework for SFTs		
	<i>TR-04.1 – Standardised recall request deadline</i>	<i>Trading Parties (involved in securities lending)</i>	<i>October 2027</i>
	<i>TR-04.2 – Standardised return notifications deadline</i>	<i>Trading Parties (involved in securities lending)</i>	<i>October 2027</i>
	<i>TR-04.3 – Standardised return settlement deadline</i>	<i>Trading Parties (involved in securities lending)</i>	<i>October 2027</i>
	<i>TR-04.4 – Adoption of ERCC best practice for termination of open repo</i>	<i>Trading Parties (involved in repo)</i>	<i>October 2027</i>
	TR-05 – Automatic shaping of settlement instructions	Trading venues, trading parties	October 2027
Matching and Confirmation	MC-01 – Promote the Standardised Electronic Exchange of Trade Allocations and Confirmations	Trading Parties, Settlement Intermediaries	End of 2026
	MC-02 – Intraday Transmission of Allocations and Confirmations, no later than 23.00	Trading Parties, Settlement Intermediaries	End of 2026
	MC-03 – Provision of PSET Data at the Point of Allocation	Trading Parties, Settlement Intermediaries	As soon as practicable
	MC-04 – Establishment of Industry to agree standard for SSI management and exchange	EU T+1 Industry Committee	Q3 2025
	MC-05 – Standardisation of Pre-Matching for SFTs		
	<i>MC-05.1 – Pre-matching (securities lending)</i>	<i>Trading Parties (involved in securities lending)</i>	<i>October 2027</i>
	<i>MC-05.2 – Trade confirmations (repo)</i>	<i>Trading parties (involved in repo)</i>	<i>October 2027</i>
Clearing	CL-01 – CCP process timings	CCPs	October 2027
	CL-02 – Clearing Member, Settlement Agent, Broker-dealer process timings	Clearing Members, Settlement Agents, Broker-Dealers.	October 2027

Topic	Name of Recommendation	Who	When
Settlement	ST-01 – Instruction Management		
	ST-01.1 – Real-time processing of settlement instructions	Trading Parties, Settlement Intermediaries	October 2027
	ST-01.2 – Automated / STP instruction processing	Trading Parties, Settlement Intermediaries	October 2027
	ST-01.3 – Establish an Industry Taskforce to develop a single 'gold standard' format for settlement instructions	EU T+1 Industry Committee	Q3 2025
	ST-01.4 – Custodians to offer PSAF information in Statement of Holding	Custodians	End of 2026
	ST-01.5 – Use of dynamic cash and stock forecasting tools	Trading Parties, Settlement Intermediaries	October 2027
	ST-01.6 – Use of Transaction type identifier in settlement instructions	Trading Parties, Settlement Intermediaries	End of 2026
	ST-02 – Securities Settlement System Timings		
	ST-02.1 – SSS Opening	(I)CSDs and NCBs	October 2027
	ST-02.2 – SSS Closing: Establish a DvP cutoff of 16:00 for standard settlement in EUR and a FoP cutoff of 18:00	(I)CSDs and NCBs	October 2027
	ST-02.3 – SSS Closing: Alignment of non-EUR currencies to DvP cutoff of 16:00	(I)CSDs and NCBs	October 2027
	ST-02.4 – SSS Closing: Explore the potential establishment of a DvP cutoff of 17:00	(I)CSDs and NCBs	End of 2025
	ST-02.5 – Interaction with other global regions	CSDs, Settlement Intermediaries	October 2027
	ST-03 – Tools and Functionalities		
	ST-03.1 – Partial settlement functionality (I)CSDs	(I)CSDs	October 2027
	ST-03.2 – Partial settlement functionality (Intermediaries)	Settlement Intermediaries	October 2027
	ST-03.3 – Establish Industry Taskforce to develop Partial Settlement Market Practice	EU T+1 Industry Committee	Q3 2025
	ST-03.4 – Inclusion of partial settlement window in the first cycle of T2S NTS (C1SX)	T2S	End of 2026
	ST-03.5 – Hold & Release functionality - (I)CSDs	(I)CSDs	October 2027
	ST-03.6 – Hold & Release functionality – Intermediaries	Settlement Intermediaries, CCPs	October 2027
	ST-03.7 – Intermediaries use of 'Hold & Release'	Settlement Intermediaries, Clearing Members	October 2027
	ST-03.8 – Allegements - (I)CSDs	(I)CSDs	October 2027

Topic	Name of Recommendation	Who	When
	ST-03.8a – Allegements (Intermediaries)	Settlement Intermediaries	October 2027
	ST-03.9 – POA Functionality	(I)CSDs, CCPs, Clearing Members, Settlement Agents	October 2027
	ST-03.10 – Liquidity Tools & Functionalities	(I)CSDs, NCBs, Settlement Intermediaries	End of 2025
	ST-03.11 – Timely processing of transactions in non-EU currencies	Trading parties	End of 2026
	ST-03.12 – Auto-borrowing facilities	(I)CSDs, Settlement Intermediaries, Trading Parties	October 2027
	ST-03.13 – Maximising bilateral and multilateral netting	Trading parties, Settlement Intermediaries	October 2027
	ST-03.14 – Auto-collateralisation facilities	CSDs, Settlement Intermediaries	October 2027
Asset Management	AM-01 – Settlement cycles for funds' units	Investment management companies	October 2027
	AM-02 – Cash breaches	EU T+1 Industry Committee (to seek regulatory guidance from ESMA, NCA level)	End of 2026
FX	FX-01 – FX Lifecycle	FX Market Participants	As soon as practicable
	FX-02 – Partial Settlement	FX Market Participants	As soon as practicable
	FX-03 – Settlement Risk	FX Market Participants	Ongoing
	FX-04 – PvP Mechanism	FX Market Participants	Ongoing
Corporate Events	CE-01 – Alignment of corporate event key dates with the T+1 standard settlement cycle	Trading venues, CSDs and Settlement Intermediaries	October 2027 (interim milestones to be added)
	CE-02 – Automation of buyer protection processing	CSDs, Settlement Intermediaries	October 2027 (Timeline to be validated by September 2025)
	CE-03 – Automation of market claims processing	CSDs, Settlement Intermediaries	October 2027 (interim milestones to be added)
SFT	SF-01 – Settlement optimisation for SFTs	(I)CSDs	October 2027
	SF-02 – Collateral and Loan Release Practices		

Topic	Name of Recommendation	Who	When
	<i>SF-02.1 – Pro-rata loan release practices</i>		<i>End of 2026</i>
	<i>SF-02.2 – Triparty RQV collateral tools and logic-based models</i>		<i>End of 2026</i>
	SF-03 – Notifications from buy-side to lending intermediaries of sales	Trading Parties (when selling securities)	October 2027
	<i>SF-03.01 – Same-day returns for securities lending transactions</i>	<i>Trading Parties (Securities lending only)</i>	<i>End of 2026</i>
	<i>SF-03.02 – Automation of securities lending recalls and return instruction flows</i>	<i>Trading Parties (Securities lending only)</i>	<i>End of 2026</i>
Legal and Regulatory	LR-01 – National Specificities	EU T+1 Industry Committee	Ongoing
	LR-02 – Unharmonised insolvency protections	Member States and European Commission	European Commission to conduct initial analysis based on feedback to consultation on capital markets integration

5.2 – Glossary of Implementing Actors and Public Stakeholders

List of actors mentioned in the Recommendations:

(I)CSDs (International/Central Securities Depositories): Entities that perform issuance for issuers, hold securities, perform settlement pursuant to the CSDR.

Asset Managers / Investment Management Companies: Firms that manage investment portfolios on behalf of clients.

Broker-Dealers: Firms that trade securities either on behalf of clients (broker) or for their own account (dealer).

CCPs (Central Counterparties): Entities that interpose themselves between the buyer and seller in a trade, becoming the counterparty to both sides to mitigate counterparty risk.

Clearing Members:

- **General Clearing Members:** Entities that provide clearing services for themselves and other clients.
- **Individual Clearing Members:** Entities that clear only their own trades.

Depository Banks: Institutions that hold fund assets and ensure compliance with regulations.

ECB (European Central Bank): The ECB is the central bank of the European Union countries which have adopted the euro.

ESMA (European Securities and Markets Authority): EU's financial markets regulator and supervisor.

EU Co-legislators: The European Parliament and the Council of the EU, which jointly adopt legislation.

European Commission: The EU's executive body, responsible for proposing legislation and enforcing EU laws.

Fund Accountants: Entities that calculate the net asset value (NAV) of investment funds.

Fund Distributors: Entities responsible for marketing and selling investment funds to investors.

Funding and Treasury Desks: Internal bank units managing liquidity, funding, and capital allocation.

FX Market Participants: Entities involved in foreign exchange transactions, including banks, corporates, hedge funds, and central banks.

Issuer Agents: Entities that assist issuers in managing securities issuance and corporate actions.

Issuers: Entities (e.g., corporations, governments) that issue securities to raise capital.

Member States: The 27 countries that are members of the European Union.

Securities Lending Agents: Entities that facilitate the temporary transfer of securities from a lender to a borrower, often for short selling or liquidity purposes.

Settlement Intermediaries: Financial institutions and other entities that safeguard clients' securities and may offer related services such as facilitation of settlement and reporting, typically:

- **Custodian:** Financial institution and other entities that safeguard clients' securities and may offer additional services such as facilitation of settlement and reporting.
- **Settlement Agent:** Settlement Intermediary that facilitates settlement via instruction management, transfer of cash and securities and reporting.

Trading Parties: The entities (e.g., banks, investment firms) that engage in buying and selling securities on trading venues as well as OTC.

Trading Venues: Platforms where financial instruments are bought and sold, such as stock exchanges or multilateral trading facilities (MTFs).

Transfer Agents: Entities that handle investor transactions and maintain shareholder records.

5.3 – Glossary of Terms

AM: Asset Management

AMI-SeCo: Advisory Group on Market Infrastructures for Securities and Collateral

APAC: Asia-Pacific

CCP: Central Counterparty

CEG: Corporate Events Group

CET: Central European Time

CLS: Continuous Linked Settlement

CM: Clearing Member

CSD: Central Securities Depository

CSDR: Central Securities Depositories Regulation

D2D: Dealer-to-Dealer

D2C: Dealer-to-Client

DCP: Directly Connected Participant

DvP: Delivery versus Payment

EEA: European Economic Area

ECB: European Central Bank

ECMS: Eurosystem Collateral Management System

EOD: End of Day

ERCC: European Repo and Collateral Council

ESMA: European Securities and Markets Authority

ETF: Exchange-Traded Fund

ETD: Exchange-Traded Derivatives

ETP: Exchange-Traded Products

EU: European Union

EUR: Euro

FMSB: Financial Markets Standards Board

FX: Foreign Exchange

GCM: General Clearing Member

ICMA: International Capital Market Association

ICSD: International Central Securities Depository

ISD: Intended Settlement Date

ISIN: International Securities Identification Number

ISO: International Organisation for Standardisation
LMFP: Late Matching Fail Penalties
LR: Legal & Regulatory
MC: Matching and Confirmation
NAV: Net Asset Value
NCB: National Central Bank
NTS: Night-Time Settlement
OTC: Over-the-Counter
OT: Operational Timetable
PoA: Power of Attorney
PSAF: Place of Safekeeping
PvP: Payment versus Payment
PSET: Place of Settlement
Q3: Third Quarter
RQV: Required Value
SA: Settlement Agent
SD: Settlement Date
SEG: Standards Evaluation Group
SF: Securities Financing
SFT: Securities Financing Transaction
SI: Settlement Instruction
SMPG: Securities Market Practice Group
SSI: Standard Settlement Instruction
SSS: Securities Settlement Systems
STP: Straight-Through Processing
T+0 / T+1 / T+2: Trade Date plus 0/1/2 business days (settlement cycles)
T2S: TARGET2-Securities
TIPS: TARGET Instant Payment Settlement
TW: Technical Workstream
UK: United Kingdom
ZAR: South African Rand

5.4 – Composition of the EU T+1 Industry Committee

INDEPENDENT CHAIR

Giovanni Sabatini

MEMBER ASSOCIATIONS

Representatives from:

Association for Financial Markets in Europe
Association of Global Custodians
European Association of CCP Clearing Houses
European Banking Federation
European Central Securities Depositories Association
European Fund and Asset Management Association
European Principal Traders Association
Federation of European Stock Exchanges
International Capital Market Association
International Securities Lending Association

OBSERVER ASSOCIATIONS

Representatives from:

Alternative Investment Management Association
Electronic Debt Markets Association
European Association of Public Banks
European Forum of Securities Associations
European Venues and Intermediaries Association
European Issuers
Futures Industry Association
Global Financial Markets Association
International Securities Services Association
Investment Company Institute

ADDITIONAL OBSERVERS

Representatives from:

European Commission
ESMA
ECB
UK Accelerated Settlement Taskforce
Swiss Post Trade Council
Swift

SECRETARIAT SUPPORT

PricewaterhouseCoopers

TECHNICAL WORKSTREAMS

Technical Workstream Co-leads are Members of the EU T+1 Industry Committee:

Trading	Co-lead: Scott Schroenn, <i>BNP Paribas</i> Co-lead: Chiara Rossetti, <i>Euronext</i>
Matching & Confirmation	Co-lead: Marcello Topa, <i>Citi</i> Co-lead: Paola Deantoni, <i>Societe Generale</i>
Clearing	Co-lead: Max Chan, <i>EACH</i> Co-lead: Zoltan Tkalecz, <i>Citi</i>
Settlement	Co-lead: Kathy Waldie, <i>Clearstream</i> Co-lead: Emma Johnson, <i>JP Morgan</i>
Securities Financing Transactions	Co-lead: Thomas Hansen, <i>Santander</i> Co-lead: Roy Zimmerhansl, <i>WTS Hansuke</i>
FX	Co-lead: Andrew Harvey, <i>GFMA</i> Co-lead: Lisa Danino-Lewis, <i>CLS</i>
Corporate Events*	Co-lead: Alessio Mottola, <i>Euronext</i> Co-lead: Michael Collier, <i>JP Morgan</i>
Asset Management	Co-lead: Jim Goldie, <i>Invesco</i> Co-lead: Christian Schmaus, <i>Allianz Global Investors</i>
Scope	Co-lead: Sachin Mohindra, <i>Goldman Sachs</i> Co-lead: Roberto De Paolis, <i>BNY</i>
Legal and Regulatory	Co-lead: Haroun Boucheta, <i>BNP Paribas</i> Co-lead: Sujata Wirsching, <i>Deutsche Boerse Group</i>
Operational Timetable**	Co-lead: Gareth Jones, <i>Euroclear</i> Co-lead: Marcello Topa, <i>Citi</i>
Settlement Efficiency	Co-lead: Jesus Sanchez, <i>Iberclear</i> Co-lead: Thomas Metier, <i>Euronext</i>

*This workstream is coordinated by the AMI-SeCo Corporate Events Group

**This is a coordination group consisting of the co-leads of the Trading, Matching & Confirmation, Clearing, Settlement, Securities Financing Transactions, and FX technical workstreams