



TOPICS:

Market risk

SOURCE

EU T+1 Industry Committee

EU T+1 Industry Committee: High-Level Roadmap to T+1 Securities Settlement in the EU

- The report, published by the EU T+1 Industry Committee, outlines **the strategic and operational pathway for transitioning** the EU/EEA securities market from a T+2 to a T+1 settlement cycle, with an **implementation date of 11 October 2027**. The report, developed by a cross-sector coalition of industry stakeholders, provides **non-binding yet widely influential recommendations** to enhance operational efficiency, competitiveness, and resilience within the EU post-trade environment.
- **This transition aligns the EU with global developments, particularly in North America and the UK**, and supports the broader vision of a robust EU Capital Markets Union. The roadmap emphasizes the critical role of automation, standardisation, and cross-border coordination in mitigating the operational pressures of a shortened settlement window.
- **The report provides detailed legal analysis under the CSDR framework**, clarifying the applicability of T+1 to transactions in transferable securities executed on EU trading venues and settled through EU CSDs.
- A central feature of the roadmap is **a harmonised operational timetable** built around "gating events"—critical post-trade activities with specified deadlines. These include trade allocations and confirmations by 23:00 CET on trade date, submission of settlement instructions by 23:59, and an early settlement window opening at 00:00 on settlement day.
- The roadmap further segments **technical recommendations across trading, matching, clearing, and settlement phases**, addressing infrastructure upgrades, SSI standardisation, partial settlement adoption, and liquidity tools. The Committee promotes an "adhere or explain" model, encouraging flexibility while holding firms accountable for non-compliance.

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