

Summary of Conclusions

EU T+1 Coordination Committee – Meeting no.1

Date:	6 February 2025
Time:	10:00 – 12:00 CET
Location:	Microsoft Teams (virtual meeting)

No Item

1. Welcome

2. EC update on the CSDR change legislative process

The EC representative indicated that the EC legislative proposal to make changes to CSDR shortening the securities settlement cycle was expected to be adopted shortly.

The Chair of the Industry Committee raised the issue of the scope of this change, highlighting the strong will of the Industry Committee to have securities financing transactions (SFTs) fully exempted from the T+1 requirement and the need to be aligned with the UK on this. He announced that a note will be submitted to ESMA, the EC and the ECB representatives presenting arguments to formally require such exemption.

A second issue was raised in relation to the possibility to suspend the CSDR cash penalty regime, if needed, for the duration of the T+1 move. The EC representative indicated they were aware of the views of stakeholders on this point. The Chair of the Industry Committee indicated this issue was also discussed at industry level and that they would aim to have a position on this shortly.

3. ESMA update on regulatory changes: first elements on the consultation paper on proposed amendments to the RTS on settlement discipline

ESMA staff presented the first expected main elements of the consultation paper (CP) on proposed amendments to the technical standard on settlement discipline.

In relation to the timeline: the CP will be submitted to the ESMA Board for approval on 11/02 and the consultation will be open for 2 months (mid-February to around mid-April). In relation to its structure, the CP will be composed of two parts: one including the proposed amendments to the settlement discipline regime (e.g. the deadlines for allocations and confirmations) and a second one exploring a set of additional tools for improving settlement efficiency, without proposing related requirements at this stage (e.g. the use of unique transaction identifiers).

The necessity not to prevent securities settlement on trade date (T+0) was recalled. It was highlighted that the proposed deadlines for the various operations are maximum deadlines.

4. ECB update on T2S preparations for T+1

The ECB member indicated that a dedicated T+1 Task Force has been established under the T2S governance. It will identify the possible impact of shortening the settlement cycle on T2S operations and evolution as well as any potential change request(s), by end Q2 2025. In doing so, the Task Force will take into account the Industry Committee recommendations.

5. Industry Chair updates on:

- a. The scope of the technical workstreams (TWs)**
- b. The composition of the TWs**
- c. The Industry Committee and TWs workplan**

The Chair of the Industry Committee provided an update on the status of the work conducted by the Industry Committee at the organisational level. The idea is to schedule fortnightly meetings both at Industry Committee and TW level, starting as soon as possible.

The Chair of the Industry Committee also presented a high-level first plan and timetable for the different deliverables, for which the first five months of work are considered as key to ensure a timely delivery of the recommendations.

The tremendous amount of work performed by the Industry Committee for a complicated project in a very short period of time was acknowledged, with the recommendation to continue the effort and focus on finding concrete solutions.

6. Next steps: meeting dates

It was agreed that a meeting date will be identified for the first half of June 2025. If necessary, the Coordination Committee will meet at short notice to discuss pressing issues identified by any of its members.

7. AOB: none.

Participants

Chair	Verena Ross, ESMA Chair
Members	Giovanni Sabatini, EU T+1 Industry Committee Chair Carsten Ostermann, ESMA Jennifer Robertson, EC, DG FISMA Fiona Van Echelpoel, ECB, DG Market Infrastructure and Payments
Observers	Thomas Broeng Jorgensen, ECB Banking Supervision ESMA staff, EC staff, ECB staff