Latest Industry Developments & Readiness Work

T+1 NCG

Second Meeting

Industry phase has moved from awareness to execution

Key resources are now available

readiness is being measured

testing planning is progressing

Next risks:

~~Lack of information~~

Dependencies on service providers

Late Testing Engagement

Uneven Implementation

Automation Gaps

EU T+1 Industry Committee

The EU T+1 Securities Settlement Handbook — Second Iteration, dated 17 June 2026, is especially important because it translates the High-Level Roadmap into **practical operational guidance** across the securities lifecycle, recognises the complexity of the EU environment, and stresses early preparation, automation, data quality, standardisation and coordinated action across the chain.

The EU T+1 Checklist, published through the Industry Committee resources page, is a practical internal tool for market participants and translates High-Level Roadmap recommendations and technical work into **actionable considerations** across the trade lifecycle, to be applied according to each firm's operating model and market arrangements.

2nd Industry Readiness Survey
move from awareness to execution

The EU T+1 Industry Committee's second market-wide readiness survey, published in early July 2026 with The ValueExchange, shows that readiness has improved but remains uneven: 83% of firms are actively preparing, 58% have formal implementation plans, awareness has risen to 86%, and only 2% report no action.

The same survey identifies the main implementation challenge as **dependencies on counterparties, intermediaries and technology providers,** cited by 64% of respondents, while more than half of firms are still **waiting for further guidance from intermediaries before finalising plans.**

The survey also indicates that large infrastructures, custodians and major intermediaries are generally more advanced, while asset managers, pension funds and smaller firms lag, with some implementation plans not expected until Q1 2027.

Joint EU / UK / Switzerland Testing Plan

The T+1 Testing Plan, published on 25 March 2026, is a joint initiative of
the EU T+1 Industry Committee,
the UK Accelerated Settlement Taskforce and
the Swiss Securities Post-Trade Council,
and it provides a collective testing framework for T+1 readiness across the three aligned jurisdictions.

The plan is designed for all market participants and FMIs and focuses on testing logistics, timelines, testing touchpoints, scenarios and firm-level metrics to de-risk the transition.

The three key messages from the testing plan are that

Automation is a key success factor

firms should **start testing now** using available or existing test environments where possible.

Readiness depends on the **readiness of the entire settlement chain**

The testing plan covers practical testing areas including on-exchange and OTC trade flows, securities lending, repo, FX and corporate events, and gives guidance for FMIs on communicating access to test environments.

SSIs: the avoidable fail risk

In June 2026, the EU T+1 Industry Committee published additional guidance on **standards for the storage and exchange of Standing Settlement Instructions**, clarifying alignment between the EU and UK approaches.

The SSI guidance states that inconsistent SSI content and communication methods increase the risk of failed trades, operational costs and manual processing, especially where fax or PDF-based communication is still used for SSI set-up and maintenance.

The guidance confirms that the **FMSB taxonomies and templates** for SSI sharing are compatible with EEA pre-settlement storage and exchange requirements, while adding EU-specific field guidance such as mandatory **BIC**, mandatory **PSET** in the EEA, optional **SAFE / PSAF**, and optional MIC / ISIN at the pre-settlement exchange level subject to bilateral agreement.

Partial settlement market practice

The EU T+1 Industry Committee’s **Taskforce on Partial Settlement Market Practice** issued a final report in December 2025, proposing a common market practice to make partial settlement the default across European markets in support of the T+1 transition.

The report proposes an “**adhere or explain**” framework under which settlement instructions are treated as eligible for partial settlement unless explicitly agreed otherwise, and it indicates that quoting **NPAR** is the way to prevent partial settlement.

The report limits non-application of partial settlement to predefined exemptions such as securities lending, corporate actions and portfolio transfers, and to bilateral exceptions where both counterparties agree and document the rationale outside the message.

SFT / repo / Gating Event guidance

On 16 June 2026, the EU T+1 Industry Committee published Gating Event — FAQs and Best Practice, a guidance document developed through the SFT Optimisation Taskforce and co-led by ICMA.

The Gating Event is an optional settlement functionality intended to be applied automatically at **11:00 CET** to flagged settlement instructions on intended settlement date, allowing optimisation tools such as technical netting to be applied.

The rationale is that T+1 in fixed-income cash markets may increase same-day **T+0 repo** activity, raising intraday liquidity demands and reducing opportunities for settlement optimisation if current settlement arrangements remain unchanged.

ICMA states that the guidance clarifies both how the Gating Event should be used and how it should not be used, and that the functionality is primarily intended for T+0 repo and related fixed-income cash market transactions where synchronised settlement generates liquidity benefits.

FMIs have moved from guidance to client specifications and test planning

- Euronext published a **T+1 Settlement Readiness Documentation Update on 30 June 2026**, including a high-level test strategy and readiness plan, plus client specifications for T+1-related changes across Euronext Clearing and Euronext Securities.
- Euronext states that market-wide testing is expected in 2027, while its readiness plan gives an initial framework for firms to incorporate into their own planning, with more granular test documentation, test cases and participant guidance expected in **Q4 2026 and Q1 2027**.
- Clearstream issued a **T+1 Client Implementation Guide in May 2026**, covering recommendations, market practices, readiness, operational timetable, settlement, instruction management, settlement-system timings, tools, fails prevention, liquidity optimisation, SFTs and corporate events.
- Euroclear's T+1 resources stress that T+1 requires operational changes and automation, while its T+1 campaign page highlights settlement-efficiency tools, issue-resolution services and partial-settlement services as part of transition support.
- SIX states that it is coordinating the transition across Switzerland, Liechtenstein, Spain and broader EU / UK interfaces, and published a high-level impact assessment on **8 April 2026** covering operational implications along the post-trade value chain.

Buy-side, fund and asset-management guidance

The Investment Association published T+1 Settlement: Navigating the UK, EU and Swiss Transition in January 2026, aimed at asset managers, wealth managers, fund administrators and custodians.

The IA report focuses on downstream impacts to fund and cash operations and recommends that firms put project plans, governance and budgets in place, accelerate post-trade automation, review FX operating models, prepare to move fund settlement cycles to T+2 by 11 October 2027, and improve SSI accuracy and completeness.

EFAMA’s T+1 page confirms that EFAMA has been engaged in understanding the impacts of shortened settlement, contributing to industry preparedness and dialogue with regulators, and highlights the complexity created by Europe’s diversity of infrastructure providers and the costs of global misalignment.

Securities lending and SFT association work

ISLA has reopened its T+1 Working Group in January 2026 as a subgroup of its Market Practice Steering Group to assess challenges, costs, outcomes and impacts on securities lending from the move to T+1 in the US, EU and UK.

ISLA's "Counting Down to T+1 in the EU and UK" material says the industry focus has moved from theory to practical implementation and testing of workflows, technologies and processes.

ISLA also notes that securities lending recommendations include automation of recalls and return instruction flows by 31 December 2026, adherence to recall cut-off times and return deadlines by 11 October 2027, and post-execution sale notifications to lending intermediaries as soon as possible after execution.

Lessons learned from North America

The SIFMA / ICI / DTCC **T+1 After Action Report** was released in September 2024 and indicates that the North American transition was supported by multi-year coordination, industry workstreams, command-centre arrangements and global participation.

Initial North American metrics showed nearly 95% of transactions meeting affirmation criteria by the 9:00 p.m. ET trade-date cut-off, compared with 73% at end-January 2024, and an NSCC clearing fund reduction of around US$3.0 billion / 23% from the prior three-month average.

DTCC's current Europe-focused T+1 resources report Q1 2026 same-day matching of 98.4% for equities transactions on CTM, average daily CTM transactions of 2.6 million, and 17.4 million standing settlement instructions in ALERT.

Euroclear / Firebrand / Clearstream / DTCC research on European T+1 says Europe faces complexity that may require larger project teams than North America, highlights automation as a key success factor, and identifies settlement failure causes such as counterparty shorts and data issues, including stale or incorrect SSIs.

Thank you

Follow Us

Get in touch

T: +356 2144 1155
E: info@mfsa.mt
W: www.mfsa.mt

A: Malta Financial Services Authority,
Triq l-Imdina, Zone 1,
Central Business District, Birkirkara,
Malta, CBD 1010