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Regulatory Blog

By PwC Deutschland | 02. März 2026

EU T+1: From Roadmap to Execution

Why 2026 Is a Critical Year

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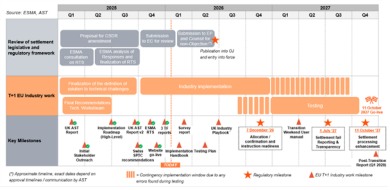
In summer 2025, the EU T+1 Industry Committee published its High-Level Roadmap, outlining recommendations to support the transition from T+2 to T+1 settlement in EU/EEA markets by 11 October 2027. Since then, the focus has shifted from understanding T+1 to clarifying responsibilities and timelines. Two key milestones mark this transition: the **EU T+1 Industry Committee's December 2025** progress update and the February 2026 release of the **EU T+1 Implementation Handbook** and the **EU T+1 Industry Committee Readiness Survey** findings. This post summarizes recent developments, highlights survey insights on readiness, and outlines expectations for progress by the end of 2026.

Summer 2025: the roadmap set the destination — and the rules of the hike

The High-Level Roadmap (30 June 2025) provided clarity on two important aspects:

- It confirmed the target implementation date of 11 October 2027.
- It translated "T+1" into a structured set of recommendations across the trade lifecycle, using an "adhere or explain" approach. While not legally binding, these recommendations serve as a reference for transition planning.

Our summer 2025 **blog post** highlighted the roadmap's focus on a standardised operational timetable and the need for automation, standardisation, and cross-firm coordination, given the complexity of Europe's post-trade landscape. This perspective remains relevant. However, the urgency has increased: 2026 is now widely recognised as the year when firms must shift from awareness to funded, governed execution.



Recap: what happened so far (December 2025 update)

In its December 2025 progress update, the EU T+1 Industry Committee confirmed that the transition governance framework and workstreams for the transition are now in place (e.g. task forces, testing stream, central information hub):

- High-Level Roadmap published (30 June 2025) and consultation period run (to 31 August 2025).
- A dedicated website (eu-t1) was launched, creating a central hub for FAQs and resources.
- Three task forces were set up to address areas needing deeper analysis: Standing Settlement Instructions (SSIs), Partial Settlement, and SFT settlement optimisation.
- A testing task force was established to align with UK and Swiss peers where feasible.

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At the public-authority level, the ESMA-hosted Coordination Committee discussions in December 2025 also underline that key dependencies are being worked on in parallel:

- The European Commission representative expressed hope that the RTS on Settlement Discipline could be adopted in Q1 2026.
- ECB/T2S provided updates on preparations (including work to shift the start of the night-time settlement cycle to 00:00 CET and explore a later DvP cut-off), as well as ongoing work on SFT optimisation requirements.
- The Industry Committee signalled its intent to deliver a testing methodology in Q1 2026 and to work toward common testing windows for 2027 across the EU/UK/Switzerland (with local adjustments).

In summary, the programme has progressed from planning to implementation. As a result, market participants can no longer defer action by citing a lack of clarity.

Survey results: what the Readiness Survey tells us

The EU T+1 Industry Committee Readiness Survey provides the most comprehensive overview to date of how organisations are preparing for T+1 across the entire lifecycle. The key findings are direct:

- Engagement is high but not universal: 77% of firms participated in the survey report active involvement in T+1 in Europe, while 23% have not reviewed the High-Level Roadmap.
- Planning remains a bottleneck: only 27% have a formal implementation plan in place, and 53% expect to develop their plan in 2026.
- Execution has begun, but progress is modest: survey respondents reported that only 30% of Roadmap recommendations are already implemented.
- Vendors present a significant risk: 69% have not yet engaged their IT providers on T+1. Among smaller firms, only one in four has done so.
- T+0 discipline remains a challenge: 56% of respondents may be late in issuing allocations and confirmations on trade date by the end of 2026.

These numbers are why “time to act is now” isn’t a slogan — it’s math. If your plan is to start serious work in 2027, you’re not planning; you’re hoping.

Asset managers are (still) playing catch-up

The survey data also supports a point many practitioners have been making quietly (and now not-so-quietly): asset managers are behind market infrastructures and major sell-side/custody players in terms of formal planning. Among asset/investment managers, only 19% report having a formal plan in place (versus 38% for custodians/settlement agents and 53% for CSDs). The majority of asset managers (59%) expect to develop their plan in 2026. That matters because asset managers sit at the point where several T+1 frictions

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converge: allocation/confirmation discipline, FX funding and liquidity timing, fund dealing cycles and NAV processes, and (for ETFs) creation/redemption mechanics. There is also a risk consideration: 35% of respondents view potential long-cash breaches as a critical concern, and 39% of asset managers expect cash breaches to occur at least once a week under T+1, given current rules.

Outlook 2026: what "good progress" needs to look like by year-end

Based on the December 2025 programme updates and survey findings, four priorities are essential for 2026.

1. **Establish a governed delivery plan:** Define end-to-end scope, ownership/decision rights, milestones aligned to market timelines (incl. 2027 testing), and a realistic budget.
2. **Engage vendors and ecosystem partners early:** Confirm key dependencies and operating assumptions with custodians, CSDs/SSSs, matching utilities and FX providers; align on data standards, responsibilities and critical cut-offs.
3. **Improve T+0 discipline and automation where it reduces operational risk:** Prioritise allocations/confirmations, exception handling and STP uplift through targeted data quality and SSI remediation.
4. **Prepare for testing early:** Build internal dry-runs and test scenarios early so that 2027 industry-wide testing validates readiness rather than revealing basic design gaps.

Summary of the Handbook: Key Additions Beyond the Roadmap

On 3 February 2026, the Industry Committee released the EU T+1 Securities Settlement Handbook, as a pragmatic companion to the High-Level Roadmap. At a high level, the handbook:

1. **It turns "recommendations" into operational guidance across the lifecycle:** It translates roadmap recommendations into more actionable guidance spanning trading, matching/confirmation, clearing, settlement, asset management, FX, corporate events and SFT considerations.
2. **It is explicit about EU complexity:** It recognises Europe's multi-market, multi-CSD and multi-currency reality and therefore supports implementation through example-based guidance and best practices rather than a one-size-fits-all approach.
3. **Highlights practical STP enablers that firms should prioritise:** It reinforces that standardisation, automation, data quality and disciplined exception handling are essential to operate effectively under compressed timelines.

Practical next steps

For a straightforward action checklist, the following steps distinguish proactive firms from those that lag:

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- **Baseline your current state** against the operational timetable and roadmap recommendations (process, data, tech, and governance).
- **Lock your 2026 delivery plan** (scope, owners, budget, milestones, vendor dependencies).
- **Prioritise T+0 discipline** (allocations/confirmations, settlement instruction submission, exception management).
- **Do not leave ecosystem readiness to chance.** Begin bilateral cut-off and SLA discussions now with custodians, CSDs/SSSs, transfer agents, and FX providers.
- **Plan internal testing early** so that 2027 industry testing validates readiness rather than exposing basic design gaps.

Do you have questions about the EU transition to T+1 settlement or specific challenges for your institution (e.g. T+0 allocation/confirmation discipline, vendor readiness, data quality/STP, cut-offs, FX funding, or testing preparation)? Please feel free to reach out — our PwC experts can support with a structured readiness and gap assessment and practical implementation guidance.

Contact: Heiko Christmann

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