

NEWS RELEASE

October 13, 2024

ICI Statement on EU & UK Transition to T+1

Brussels, Belgium; October 14, 2024 – Today the European Union (EU) T+1 Industry Task Force published a [report](#) supporting a move to an accelerated securities settlement cycle (trade date plus one business day, or T+1). The Task Force, of which ICI is a member, was established in 2023 to bring together a diverse group of industry stakeholders who would be impacted by a potential move to a default T+1 securities settlement cycle. ICI Chief Global Affairs Officer Tracey Wingate released the following statement accompanying the release of the report:

“ICI strongly supports shortening settlement cycles to T+1. In the US, the move has already significantly benefitted investors, increasing market efficiency and saving over \$1 trillion a year in margin.

“We welcome today’s publication of the European T+1 Industry Task Force Report, which shows the breadth of support for the move from stakeholders across the financial industry and offers a high-level roadmap for the adoption of T+1.

“We believe a coordinated transition to T+1 would extend these material benefits to investors across the EU and UK, which is expected to publish its own Industry Task Force Report on the move to T+1 by year-end. Furthermore, a formal commitment and clear implementation timeline from both governments would provide the necessary certainty to facilitate a smooth transition.”

Background:

The Task Force’s draft recommendations outline necessary steps for EU authorities and industry participants to ensure a smooth transition.

ICI played a key role in the US move to T+1 in the US, authoring the T+1 Transition Playbook in partnership with the broker-dealer community (SIFMA) and the industry clearing utility (DTCC), and is a member of the EU Task Force’s steering committee.

ICI advocates for a coordinated approach between the EU and the UK, emphasizing that aligning the transition to T+1 will be essential for achieving cross-border harmonization between these two major financial markets and help ensure these markets remain competitive.

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.