ECONOMIC AND FINANCIAL COMMITTEE
Sub-Committee on EU Sovereign Debt Markets

ESDM – Press Release Brussels, 15 May 2014

The 28 member states have agreed to support a harmonized implementation of T+2 as standard settlement period in OTC Secondary Markets for transferable government securities, as of 6 October 2014.

The text of the regulation on Securities Settlement and Central Securities Depositories (CSDR), adopted by the European Parliament on 15 April, includes inter alia the harmonization of the settlement period for transferable securities executed on trading venues across Europe at a maximum of two business days after the trading took place (T+2). The majority of trading venues confirmed that they will implement the T+2 settlement cycle as of 6 October 2014.

In line with the CSDR and the decision of the trading venues, debt managers of all 28 EU Member States, as well as the EC, ESM, and EFSF have agreed to support a harmonized implementation of T+2 as standard settlement period[1] for OTC secondary market transactions in government securities, to become effective as of 6 October 2014.

This enhanced harmonization across all secondary markets will further reduce operational inefficiencies and risks for cross-border transactions. As is currently the case, on a bilateral basis, it will remain possible to agree upon another settlement date than the standard T+2 for OTC transactions.

As far as primary markets are concerned, Member States as well as ESM and EFSF also aim at, where possible, further harmonising the standard settlement period for securities auctions in line with a settlement cycle of no more than T+2. To this effect, Member States will

[1] Please note that countries that already provide for settlement periods of T+2 or less, such as Germany and the UK, are not affected.

announce on their individual homepage when they are planning to do so. The ESDM will regularly update its website with this information.