



**Centrální depozitář  
cenných papírů**

## **CSD Prague Approach to Implementing T+1 Settlement Changes**

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**June 2026**



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# 1 CSD Prague Approach to Implementing T+1 Settlement Changes

In connection with the shortening of the settlement cycle in Europe from T+2 to T+1, scheduled for 11 October 2027, it has become necessary to adopt measures that will ensure a smooth transition to the new regime, mitigate potential adverse impacts, and at the same time enable the full benefits of this change to be realised.

At the pan-European level, the EU T+1 Industry Committee initiative was established to coordinate implementation and to define the key pillars of an effective transition to the T+1 regime. The key documents include in particular:

- High-level Roadmap to T+1 Securities Settlement in the EU
- EU T+1 Implementation Handbook
- T+1 Testing Plan

To ensure that market participants are adequately informed and to create a unified platform for information sharing, CSD Prague established the National T+1 Group as early as April 2025. Its members include the Czech National Bank, the Ministry of Finance of the Czech Republic, the Czech Capital Market Association and CDCP participants.

The discussions of this group resulted in alignment on the approach to implementing the recommendations set out in the document High-level Roadmap to T+1 Securities Settlement in the EU.

This document focuses on the recommendations contained in the Settlement phase chapter of the High-level Roadmap that are directly relevant to the CSD Prague settlement system. At the same time, it sets out the timeline for implementing the individual changes and the framework for verifying compliance through testing.



## 2 Recommendations

### ST-01.1 – Real-time processing of settlement instructions

Market participants should submit settlement instructions continuously throughout the trading day, which will facilitate the management of intraday exceptions in the event of settlement issues on the trade date. Instructions should be submitted to securities settlement systems no later than 23:59 on the trade date.

Compliance statement

Yes, CSD Prague will be compliant.

Implementation date

November 2026

### ST-01.2 – Automated / STP instruction processing

All post-trade entities should support automated/STP instruction processing and eliminate fax-based and other non-standard / non-automated processes.

Compliance statement

Not applicable to CSD Prague. The National Group expressed its agreement with the recommendation.

Implementation date

October 2027

### ST-01.3 – Establish an Industry Taskforce to develop a single ‘gold standard’ format for settlement instructions

In the third quarter of 2025, a task force composed of representatives of SMPG, (I)CSDs, settlement intermediaries and SWIFT will be established to identify technical issues and, where necessary, recommend change requirements. Once the standard is finalised, broad adoption of the agreed format by all market participants and (I)CSDs will be required by a date to be determined depending on the scope of the changes required.

Compliance statement

Addressed to the EU T+1 Industry Committee. The National Group expressed its agreement with the recommendation.

Implementation date



October 2027

## **ST-01.4 – Custodians to offer PSAF information in Statements of Holdings**

Custodians will include PSAF information in statements of holdings provided to clients in order to ensure transparency of holdings with custodians.

Compliance statement

Yes, CSD Prague will provide PSAF information in the case of holdings of foreign securities.

Implementation date

November 2026

## **ST-01.5 – Use of dynamic cash and stock forecasting tools**

In order to optimise resource management, trading parties and settlement intermediaries should use automated tools to forecast funding needs and positions (including stock borrowing and reallocations), preferably on an intraday basis.

Compliance statement

Not applicable to CSD Prague. The National Group partially agrees with the recommendation and also leaves its implementation to the internal rules of the individual institutions.

Implementation date

November 2026

## **ST-01.6 – Use of Transaction type identifier in settlement instructions**

SFTs and other transaction types should be identified at settlement level by ensuring the complete and consistent use of the existing “transaction type” field (the trade type field in CDCP) in settlement instructions.

CDCP: the trade type field is a mandatory, non-matching field in instructions. The Central Securities Depository supports the selection of SWIFT codes, but the list can be expanded at any time upon a participant’s request.

Compliance statement

Yes, CSD Prague will be compliant.



Implementation date

Already implemented

## ST-02.1 – SSS Opening

Securities settlement systems should open for settlement no later than 00:00 on settlement date, and the first batch settlement cycle in T2S should take place at 00:00, in the same priority order as today.

CSD Prague proposal:

CSD Prague: given the settlement model applied by the Central Securities Depository, under which T2S night-time processing functionalities are available within the Central Securities Depository during the day, and also considering the absence of RTGS settlement, CSD Prague proposes to maintain the current start of settlement at 7:00 and the opening of the settlement system for participants at 8:00.

Compliance statement

No, CSD Prague will not be compliant for the reasons set out above.

Implementation date

N/A

## ST-02.2 – SSS Closing: Establish a DvP cutoff of 16:00 for standard settlement in EUR and a FoP cutoff of 18:00

The introduction of a harmonised DvP settlement window cutoff at 16:00 for standard settlement and a FoP settlement window cutoff at 18:00 will ensure a high degree of standardisation for market participants, thereby supporting consistency and efficiency in funding processes.

### EUR Cut-off

Compliance statement

Yes, CSD Prague will be compliant.

Implementation date

November 2026

### FoP at 18:00 + end-of-day processes

Compliance statement

Yes, CSD Prague will be compliant.



Implementation date

October 2027

**Settlement cycle interval – 30 minutes**

November 2026: 8:00–16:00 every 30 minutes, last DFP at 17:00

October 2027: 8:00–16:00 every 30 minutes, last DFP at 18:00

List of cycles – see Appendix 1.

## **ST-02.3 – SSS Closing: Alignment of non-EUR European currencies to DvP cutoff of 16:00**

A harmonised closing of the DvP settlement window for standard settlement at 16:00 across European currencies will ensure a high degree of standardisation for market participants and support consistency and efficiency in funding processes. This will address current issues caused by trading cut-off times earlier than 16:00 on certain European markets today and ensure better interaction between EUR and other European currencies in support of their respective securities markets.

CSD Prague proposal:

CSD Prague proposes to add settlement cycles so that the last DvP settlement cycle takes place at 16:00, i.e. in line with the recommendation. A prerequisite for DvP is that the CERTIS payment system deadline be moved to 17:00.

Compliance statement

Subject to the Czech National Bank's decision to move the CERTIS payment system deadline.

Implementation date

October 2027

Settlement cycle interval – 30 minutes

November 2026: 8:00–15:00 every 30 minutes, last DFP at 17:00

October 2027: 8:00–16:00 every 30 minutes, last DFP at 18:00 – subject to the CERTIS deadline being moved.

List of cycles – see Appendix 1.



## **ST-02.5 – Interaction with other global regions**

Consideration of the interaction needs with other global regions when changing settlement windows within Europe.

Compliance statement

The cross-border process is closely linked to internal settlement, and more frequent settlement cycles extended into the afternoon will also improve efficiency for cross-border transactions. CSD Prague will continue to monitor this area and assess the need for further enhancements.

Implementation date

November 2026

## **ST-03.1 – Partial settlement functionality (I)CSDs**

Partial settlement functionality, including partial release, should be provided by all (I)CSDs without exception.

Compliance statement

Yes, CSD Prague is compliant.

Implementation date

Already implemented

## **ST-03.2 – Partial settlement functionality (Intermediaries)**

Partial settlement functionality, including partial release, should be supported by all intermediaries in order to enable the instructing party to use this functionality.

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027



### **ST-03.3 – Establish Industry Taskforce to develop Partial Settlement Market Practice**

It is important to develop a market practice that would require the use of partial settlement as the standard, except for specific and well-documented use cases. It also emphasises the need to examine the factors that may hinder the broader adoption of partial settlement.

Addressed to the EU T+1 Industry Committee

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027

### **ST-03.4 – Inclusion of partial settlement window in the first cycle of T2S NTS (C1SX)**

In order to enable the use of partial settlement as early as possible during the settlement process, it is proposed to introduce an additional partial settlement window in the first T2S NTS cycle. At present, a partial settlement window exists only in the second T2S NTS cycle.

CDCP: N/A

Compliance statement

N/A

Implementation date

N/A

### **ST-03.5 – Hold & Release functionality - (I)CSDs**

Hold & Release functionality must be provided by all (I)CSDs without exception.

CDCP: the functionality is fully supported.

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027



## **ST-03.6 – Hold & Release functionality – Intermediaries**

Hold & Release functionality should be supported by all intermediaries in order to enable the instructing party, clearing member or clearing agent to use this functionality.

Addressed to: Settlement Intermediaries, CCPs

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027

## **ST-03.7 – Intermediaries use of ‘Hold & Release’**

In cases where resources (cash/securities) are not yet available, clearing agents and custodians should, where appropriate, use the “Hold” functionality in order to enable timely matching at the level of the (I)CSD and the identification and resolution of issues/exceptions.

Addressed to: Settlement Intermediaries, Clearing Members

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027

## **ST-03.8a – Allegements - (I)CSDs**

(I)CSDs should support the identification and reporting of allegements without exception.

CDCP: the Central Securities Depository supports this functionality.

Compliance statement

Yes, CSD Prague is compliant.

Implementation date

Already implemented



## **ST-03.8b – Allegements (Intermediaries)**

Settlement intermediaries should support the identification and reporting of allegements without exception.

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027

## **ST-03.9 – POA Functionality**

POA functionality, including any “already matched” instruction, should be provided by all (I)CSDs and CCPs without exception. This also includes the T2S already matched POA services offered by central securities depositories to both DCPs and ICPs.

Compliance statement

Yes, CSD Prague is compliant.

Implementation date

Already implemented

## **ST-03.10 – Liquidity Tools & Functionalities**

Analysis of the existing functions and tools offered by (I)CSDs, national central banks and settlement intermediaries that support effective liquidity management.

Compliance statement

CSD Prague will assess the need for further liquidity management tools, subject to changes to the DvP settlement schedule and the CERTIS payment system schedule.

Implementation date

October 2027

## **ST-03.11 – Timely processing of transactions in non-EU currencies**

Trades in currencies such as APAC currencies, Middle Eastern currencies and ZAR should be booked promptly after execution. Combined with matching and settlement at the intraday trade level, this will enhance the ability to meet funding deadlines.



Addressed to: Trading Parties

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027

### **ST-03.12 – Auto-borrowing facilities**

(I)CSDs and intermediaries are encouraged to offer auto-borrowing functionality to their clients wherever possible. Where participants have access to this service, they are encouraged to sign up as borrowers for auto-borrowing or pooled auto-lending and, where feasible, also to sign up as lenders.

Compliance statement

CSD Prague will analyse the possibility of restoring the securities lending system with the addition of an auto-borrowing function.

Implementation date

No fixed date

### **ST-03.13 – Maximising bilateral and multilateral netting**

Parties are encouraged to cooperate in order to maximise both bilateral and multilateral netting, including greater use of pair-off netting, to reduce settlement costs and risk. To avoid delays arising from the time needed to agree pair-off arrangements, trading parties and their intermediaries should seek to standardise and automate this process as much as possible. This includes the development of cross-industry market practices and standards using the ERCC pair-off template, covering both the internal process (manual or automated) and third-party services.

Addressed to: Trading Parties and Settlement Intermediaries

Compliance statement

The National Group expressed its agreement with the recommendation.

Implementation date

October 2027



## **ST-03.14 – Auto-collateralisation facilities**

Auto-collateralisation tools should be available to all market participants to support the provision of intraday liquidity, either through the relevant central securities depositories or through intermediaries. This recommendation covers both T2S auto-collateralisation and equivalent tools offered by central securities depositories or settlement intermediaries that are not members of T2S.

Compliance statement

CSD Prague will analyse the ACM system with a view to extending this functionality to other market participants.

Implementation date

No fixed date



### 3 Testing

Testing will be carried out in order to verify the readiness of the CSD Prague settlement system and its participants for the transition to the T+1 settlement cycle. The scope of testing will focus in particular on changes implemented in connection with the recommendations described in this document, including adjustments to settlement cycle timing, the processing of exchange trades in T+1, and related operational procedures.

From January 2027, the test environment will be configured for the settlement of exchange trades in T+1. The detailed testing schedule, the scope of individual test phases and the participation requirements will be communicated to market participants in advance. Testing is expected to include both internal testing by CSD Prague and external testing with participants, with the aim of confirming functional readiness, identifying potential issues and ensuring a smooth implementation of the new settlement regime.

Where relevant, testing will also cover the interaction of individual changes, including dependencies on external infrastructures and market participants' internal systems and processes. The objective of the testing phase is to ensure that all implemented changes are properly validated prior to production rollout and that the transition to T+1 takes place in a controlled and operationally safe manner.



## 4 Appendices

### Settlement Cycle Table

Cycle No.	Time	Type	Currency
01	8:00	V, F, W, P	CZK, EUR, USD, GBP
02	8:30	V, F, W, P	CZK, EUR, USD, GBP
03	9:00	V, F, W, P	CZK, EUR, USD, GBP
04	9:30	V, F, W, P	CZK, EUR, USD, GBP
05	10:00	V, F, W, P	CZK, EUR, USD, GBP
06	10:30	V, F, W, P	CZK, EUR, USD, GBP
07	11:00	V, F, W, P	CZK, EUR, USD, GBP
08	11:30	V, F, W, P	CZK, EUR, USD
09	12:00	V, F, W, P	CZK, EUR, USD
10	12:30	V, F, W, P	CZK, EUR
11	13:00	V, F, W, P	CZK, EUR
12	13:30	V, F, W, P	CZK, EUR
13	14:00	V, F, W, P	CZK, EUR
14	14:30	V, F, W, P	CZK, EUR
15	15:00	V, F, W, P	CZK, EUR
16	15:13		CZK Technical cycle
17	15:30	V, F, W, P	EUR
18	16:00	V, F, W, P	EUR
19	16:30		EUR Technical cycle
20	17:00	F	

V delivery versus payment

F free of payment

W delivery with payment

P payment

### Implementation Timeline for Recommendations from the Perspective of CSD Prague

No.	Recommendation	Compliance	Implementation date			
			Implemented	Nov 2026	Oct 2027	TBD
ST-01.1	Real-time processing	Yes				
ST-01.2	Automated / STP processing	N/A				
ST-01.3	Settlement instruction format	Industry				



ST-01.4	PSAF in holdings statements	Yes				
ST-01.5	Cash and stock forecasting	N/A				
ST-01.6	Transaction type identifier	Yes				
ST-02.1	SSS Opening	No				
ST-02.2	SSS Closing	Yes				
ST-02.3	Alignment of non-EUR currencies	Conditional				
ST-02.5	Global interaction	Monitor				
ST-03.1	Partial settlement – (I)CSDs	Yes				
ST-03.2	Partial settlement – intermediaries	Industry				
ST-03.3	Partial settlement market practice	Industry				
ST-03.4	Partial settlement window in T2S	N/A				
ST-03.5	Hold & Release – (I)CSDs	Industry				
ST-03.6	Hold & Release – intermediaries	Industry				
ST-03.7	Use of Hold	Industry				
ST-03.8a	Allegements – (I)CSDs	Yes				
ST-03.8b	Allegements – intermediaries	Industry				
ST-03.9	POA functionality	Yes				
ST-03.10	Liquidity tools	Assess				
ST-03.11	Non-EU currency processing	Industry				
ST-03.12	Auto-borrowing	Assess				
ST-03.13	Netting	Industry				
ST-03.14	Auto-collateralisation	Assess				