

## Press release

### AFME comments on US move to one-day settlement cycles

15 February 2023

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Following the announcement by the US Securities and Exchange Commission today that the US will move to a one-day settlement cycle (T+1) by May 2024, **Pete Tomlinson, Director of Post Trade at the Association for Financial Markets in Europe (AFME)**, commented:

*"The May 2024 goal for moving to one-day settlement in the US is ambitious and will be a significant challenge for all market participants globally. AFME is supporting its members and the broader industry in preparing for this implementation.*

*"The move to accelerated settlement cycles is seen as a way to lower risks to financial systems and drive greater efficiencies in post-trade processes and other jurisdictions are now commencing their reflections on this process. However, adopting T+1 settlement in Europe will be significantly more challenging, given the fragmented nature of European markets and the greater operational, structural and regulatory complexity.*

*"Further analysis is required across the industry to quantify the costs and benefits, and the changes required to the current operating environment to facilitate such a move. AFME will work closely with all stakeholders to ensure a collaborative industry approach to this topic."*

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#### Notes to Editor:

- AFME report on **T+1 Settlement in Europe: Potential Benefits and Challenges** published in September 2022: <https://www.afme.eu/Publications/Reports/Details/detail/T1-Settlement-in-Europe--Potential-Benefits-and--Challenges>
- AFME blog: **Should Europe join the race to shorten settlement cycles?** Published in September 2022: <https://www.afme.eu/news/views-from-afme/details/Should-Europe-join-the-race-to-shorten-settlement-cycles>

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#### About AFME:

AFME (Association for Financial Markets in Europe) advocates for deep and integrated European capital markets which serve the needs of companies and investors, supporting economic growth and benefiting

society. AFME is the voice of all Europe's wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues. AFME aims to act as a bridge between market participants and policy makers across Europe, drawing on its strong and long-standing relationships, its technical knowledge and fact-based work. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) through the GFMA (Global Financial Markets Association). For more information please visit the AFME website: [www.afme.eu](http://www.afme.eu). Follow us on Twitter @AFME\_EU