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'I' ITEM NOTE

From:	General Secretariat of the Council
dated:	23 June 2025
To:	Permanent Representatives Committee (Part 2)
Subject:	Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 909/2014 as regards a shorter settlement cycle in the Union - *Confirmation of the final compromise text with a view to agreement*

1. On 12 February 2025 the Commission published a proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 909/2014 as regards a shorter settlement cycle in the Union ("CSDR T+1").

2. Settlement is the process through which, in a securities transaction, the buyer receives the security and the seller receives the payment. The settlement cycle is commonly referred to as the period of time between the trade date (the moment of a trade, denoted as 'T') and the settlement date. The proposal will shorten the settlement cycle in the EU from two days (so-called "T+2") to one ("T+1") for transactions in transferable securities – such as shares or bonds – executed on trading venues.

3. This draft Regulation is based on Article 114 of the Treaty on the Functioning of the European Union (TFEU) (ordinary legislative procedure).

4. The European Central Bank delivered an opinion on the proposal on 1 April 2025.

5. The European Economic and Social Committee delivered an opinion on the proposal on 12 May 2022.

II. STATE OF PLAY

6. The co-legislators held one trilogue on the CSDR T+1 proposal on 18 June 2025, where a provisional agreement was reached between the co-legislators on a final compromise legal text.

7. On 19 June the Presidency launched a non-objection procedure at WP level on the final compromise draft legal text. The silence procedure closed on 23 June and delegations raised no objections. The final compromise legal text on CSDR T+1 is as set out in the document ST 10534/25 accompanying this note.

III. CONCLUSION

8. The Permanent Representatives Committee is therefore invited to:

   (a) confirm agreement on the final compromise legal text on CSDR T+1 as set out in document ST 10534/25 accompanying this note with a view to reaching an agreement at first reading with the European Parliament;

   (b) authorise the Chair of the Permanent Representatives Committee to send a letter to inform the Chair(s) of the European Parliament's ECON Committee that, should the European Parliament adopt its position at first reading on the text of the proposal in the exact form as set out in document ST 10534/25 accompanying this note, and subject to revision of that text by the lawyer-linguists of both institutions, the Council will approve the European Parliament's position and the act will be adopted in the wording which corresponds to the European Parliament's position.