



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB Operations Managers Group

Thursday, 5 March 2026

13:30 – 17:00 CET

Hybrid meeting

Summary

1. Introduction

The ECB OMG Chair, Isabel Soares, welcomed the meeting participants, bid farewell to departing members (Massimiliano Sacconi/Intesa Sanpaolo and Jérémy Bernardi/Société Générale), and extended a warm welcome to two new members (Christina Norrbring/SEB and Sylvia De Koninck/KBC).

2. T+1 Settlement: Progress, Impacts on Settlement Cycles, Liquidity Management, and Securities Lending

Members of the EU T+1 Industry Committee, namely Giovanni Sabatini (Chair of the EU T+1 Industry Committee), Thomas Hansen and Roy Zimmerhansl (both Securities Financing Transactions (SFT) workstream co-leads) provided detailed insights into the EU's upcoming transition to T+1 settlement. They highlighted that the EU transition to T+1 settlement, initiated in January 2025, is guided by a structured governance framework and a [High-Level Roadmap](#) published in June 2025. This roadmap outlines over 60 recommendations, with nearly 30 focused on SFTs, which, while exempt from T+1, will be significantly affected and will require enhanced automation and straight-through processing as well as wide adaptation of settlement efficiency tools for repo execution. A key component of the adjustments is the introduction of a "gating event," which involves a standardized, synchronized cutoff time to create a settlement window optimized for liquidity and technical netting for SFTs. The presenters concluded by underlying the importance of technical readiness, market education, and testing to ensure a smooth transition with minimal disruption for market participants.

3. T+1 Settlement: Enhancing Operational Readiness, Risk Management, Liquidity Strategies, and Securities Lending

Massimiliano Sacconi (Intesa Sanpaolo) complemented the presentation of the T+1 Industry Committee by outlining Intesa Sanpaolo's approach to the T+1 settlement transition, which is focused on operational readiness, automation, and compliance. Leveraging its position as a

Directly Connected Participant (DCP) in TARGET2-Securities (T2S), Intesa is optimizing liquidity management and cross-border settlements while mitigating risks of settlement failures through real-time tools and auto-collateralization. Among others, Intesa is enhancing internal systems, automating recalls and returns, redesigning master data processes and integrating external platforms for trade matching and standard settlement instructions (SSIs). A critical driver in this transition is the competitive advantage offered by improved post-trade efficiency. Failure to adapt effectively could restrict access to liquidity or result in higher costs, underscoring the importance of readiness in the evolving settlement landscape.

4. Distributed Ledger Technology (DLT) Developments

Nicolas Neufkens (SWIFT) presented SWIFT's strategic roadmap for the payments landscape, beginning with a Minimum Viable Product (MVP) and progressing toward an ambitious long-term vision. The MVP, set to launch in 2026, will enable real-time, 24/7 cross-border payments by leveraging existing bank payment applications while introducing a new digital layer built on the Swift Ledger and banks' tokenized deposits. Looking ahead, SWIFT's long-term vision seeks to establish a global financial ecosystem that is both interoperable and efficient, easing liquidity pressures and improving settlement outcomes. The strategy focuses on seamless integration with current systems, adherence to ISO standards, and reinforcing trust through SWIFT's well-established infrastructure. A key aspect of the initiative is the coexistence of traditional fiat currencies and digital assets, offering faster, more transparent, and user-friendly payment solutions. Ultimately, SWIFT aims to redefine cross-border transactions for the digital age by creating a scalable, interoperable, and trusted platform that transforms the way payments are processed globally.

Ralph Croissant (BNP) discussed the shift from the traditional two tier banking system to the adoption of DLT and tokenized money, emphasizing the importance of replicating the two tier system on DLT for the financing of the economy. He introduced tokenized commercial bank money—specifically tokenized deposits and deposit tokens—as instruments that maintain banks' critical role in credit creation while ensuring these digital liabilities receive the same regulatory and deposit insurance treatment as their traditional equivalents. Additionally, he explained its potential to transform financial markets and the need for new innovative clearing and settlement mechanisms, underpinned by trusted settlement legs such as wholesale CBDC. Ralph also drew a clear distinction between tokenized commercial bank money and payment instruments like stablecoins. Given their different risk profiles, stablecoins require bespoke regulatory frameworks; they should remain non remunerated and must not benefit from deposit insurance schemes. Finally, the presentation showcased several blockchain based initiatives,

including private DLT based financial market infrastructures designed for tokenized securities and liquidity management, illustrating how these innovations could support a more integrated and efficient digital financial ecosystem.

5. Tour de Table

The ECB OMG members shared their perspectives on the EU transition to the T+1 securities settlement cycle and on DLT developments in their respective institutions.

- **A. T+1 Transition**

Most ECB OMG members are confident about meeting the October 2027 deadline for the transition to T+1, though several challenges remain. Key issues include the need for automation to manage compressed timelines, risks of settlement failures and penalties, and liquidity mismatches, especially for cross-border transactions. Standardized exchange of information, particularly around SSIs, is critical but complicated by unclear market standards. Coordination among market participants and IT infrastructure upgrades are also essential to ensure readiness and avoid bottlenecks. ECB OMG members reported that they are addressing these challenges through dedicated project teams, enhanced automation, testing, and industry collaboration. Many see the transition as an opportunity to improve operational efficiency and streamline processes. Despite these obstacles, proactive measures are expected to ensure successful implementation of the new settlement cycle.

- **B. DLT Developments**

The vast majority of the ECB OMG members reported actively exploring and implementing DLT initiatives, with efforts ranging from experimental pilots to full-scale operational projects. These initiatives include tokenized assets, stablecoins, and digital bonds, as well as industry collaborations and Eurosystem DLT programs. Operational areas are involved to varying degrees, with some institutions maintaining existing workflows whilst others focus on building interoperability solutions with legacy systems and developing DLT driven processes. While some institutions remain in research or exploratory phases, others are actively validating DLT potential through targeted projects in areas like payments, trade finance, and fixed-income markets.

ECB OMG members highlighted the significant benefits of DLT adoption over the next decade, including faster settlement, enhanced automation, reduced risks, and cost savings. However, they see challenges such as the costs of maintaining interoperability with legacy systems, regulatory uncertainty, market fragmentation, and cybersecurity risks, which require global coordination and standardization. Adoption is expected to be gradual, with legacy systems coexisting alongside DLT ecosystems for 5 to 20 years due to regulatory delays, technological complexities, and high migration costs. A hybrid coexistence model is anticipated, where legacy systems handle core functions while DLT supports emerging use cases like repo transactions

and collateral management. Overall, the ECB OMG members consider that achieving seamless interoperability between on-chain and off-chain systems remains the key operational challenge during the transition.

6. AOB

The next ECB OMG online meeting is scheduled for 25 June 2026.