



Summary and Key Conclusions

Second Meeting

Thursday, 4 June 2026



1. Context and Objectives of the Meeting

The second official meeting of the National T+1 Settlement Forum focused on the progress made by Bulgarian market participants in preparing for the transition to the shortened settlement cycle, scheduled to take effect on 11 October 2027.

The Forum's regular meetings are intended to ensure transparency and facilitate the timely discussion of challenges arising throughout the transition process. The Forum continues to serve as a platform for information sharing, discussion of practical implementation issues and coordination among participants across the settlement chain, while supporting the adaptation of European guidance to the specific characteristics of the Bulgarian market.

At this stage, the Forum's primary objective remains to provide market participants with up-to-date information and to communicate clear expectations regarding preparations for the forthcoming testing phase.

2. Key Highlights from the Presentations

The meeting was opened by Mr Vasil Golemanski, Chairperson of the Financial Supervision Commission and Chair of the National T+1 Forum, who emphasised the importance of active engagement by all market participants to ensure a smooth transition to T+1 settlement.

In his opening remarks, Mr Golemanski highlighted the importance of market-wide testing as a key mechanism for ensuring operational alignment across all stakeholders. He noted that the testing phase will be critical to the successful implementation of the new settlement cycle and observed that the European Union continues to lag behind several international markets that have already migrated to shorter settlement cycles.

During the second session, Ms Mira Dobрева-Hilton, Adviser to the Chairperson on International Affairs and Coordinator of the National T+1 Forum, presented the latest developments at European level and reviewed the current state of preparation within the Bulgarian market.



The presentation covered current industry expectations relating to process automation, the shortening of operational deadlines and the European approach to testing. Participants were informed about the ongoing industry testing period, which will continue through to October 2027 and is intended to facilitate the early identification of operational issues and market dependencies.

It was highlighted that the reduction of settlement timelines significantly decreases the operational flexibility currently available under T+2. Combined with increased reliance on straight-through processing (STP), this leaves market participants with substantially less time to identify and resolve exceptions before settlement.

The session also included an aggregated overview of the self-assessment scorecards submitted by market infrastructures and industry associations participating in the Forum. The findings highlighted current readiness levels, key operational and system dependencies, planned adaptations and areas where additional coordination may be required.

Ms Dobрева-Hilton further noted that the Financial Supervision Commission will continue to use the National T+1 Forum as the primary mechanism for keeping the market informed about European developments and expectations. Participants were encouraged to contribute actively to European surveys and consultations, as the outcomes of these exercises frequently inform future regulatory, supervisory and market initiatives. Particular emphasis was placed on the importance of ensuring that smaller markets are adequately represented in these discussions and that their specific challenges are clearly communicated.

The latest European testing timetable and upcoming regulatory initiatives relevant to market preparation were also presented.



3. Challenges and Issues Raised by Market Participants

The discussion session focused on the operational, technological and regulatory aspects of the transition to T+1 settlement.

Representatives of the Bulgarian Stock Exchange, Central Depository AD, the Association of Banks in Bulgaria, the Bulgarian Association of Licensed Investment Intermediaries, the Association of Industrial Capital in Bulgaria and the Bulgarian Association of Asset Management Companies participated in the discussion.

Participants agreed that a successful transition will require a high degree of coordination across the market, together with timely adjustments to internal processes and operating models. It was noted that settlement discipline will become increasingly important under T+1, as the available timeframe for corrections, exception management and trade cancellations will be significantly reduced.

Particular emphasis was placed on the need to submit settlement instructions as early as possible on trade date rather than relying on end-of-day processing, which remains more feasible under the current T+2 environment.

In this context, the automation of post-trade processes and the reduction of manual intervention were identified as key prerequisites for efficient operation under T+1.

Participants also discussed a number of issues relating to partial settlement, participation in corporate actions where transactions remain on hold, buyer protection mechanisms and the timely disclosure of corporate action information by issuers. Concerns were raised that inconsistent or incomplete disclosure practices could create operational challenges if more automated processing models are introduced in the future.

The discussion further covered the introduction of overnight settlement processes, including the need for closer cooperation with the banking sector to support access to account movement information. Regulatory



topics were also addressed, including potential changes affecting net settlement arrangements and requirements applicable to custodian banks.

Representatives of the banking sector stressed the importance of clarity regarding future regulatory and procedural changes, as well as the need for a clearly communicated testing timetable that would enable institutions to plan resources and implementation activities effectively.

Participants were informed about progress in developing the national testing schedule. Central Depository AD confirmed that the schedule is being aligned with the European testing framework and is expected to be published following completion of internal approval procedures by the end of July 2026. The first market-wide testing activities are expected to commence in early 2027.

Additional technical discussions covered instruction processing, matching, reporting requirements and opportunities to further optimise internal workflows. Market participants highlighted the need for closer operational coordination among investment firms, custodian banks, market infrastructures and technology providers to ensure the effective functioning of future T+1 processes.

The market also expressed a need for additional operational coordination through dedicated technical workshops focused on implementation details. Participants therefore proposed the organisation of separate expert-level meetings dedicated to operational issues, testing preparation and the alignment of key milestones and dependencies across the market.

Overall, participants agreed that a successful transition to T+1 will require sustained efforts, timely preparation and continuous information sharing among all stakeholders.



4. Next Steps

The meeting concluded with closing remarks by Mr Golemanski, who thanked participants for their engagement and contributions and reiterated the importance of continued cooperation between public authorities and market participants.

The next meeting of the National T+1 Settlement Forum is scheduled for September 2026. Participants are expected to continue their preparations in line with European recommendations and to identify areas requiring further market-level coordination.

The Forum also expressed its readiness to organise a larger international event later in the year, bringing together European experts and market practitioners to share implementation experience and best practices relating to the transition to T+1 settlement.

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