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For the 2020 Annual Report to Members, three members of ICI's leadership sat down to share their thoughts on how the Institute and the fund industry have navigated the COVID-19 crisis.

Below is an abridged version of their discussion. To read the full roundtable, please see ICI's [2020 Annual Report to Members](#).

Patrice Bergé-Vincent
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COVID-19 has ushered in a new everyday reality for the fund industry. Take us back to those hectic weeks in March. How did ICI engage with policymakers to support members and their

shareholders during this uniquely challenging time?

Olson: Those early weeks were unlike anything we had ever been through—and they certainly came at us fast. But our approach didn't stray too far from how we've handled other challenging situations.

By that I mean, huddling with members to discuss what they were seeing in the markets—what funds and their shareholders were experiencing—and then meeting with policymakers to share that on-the-ground perspective.

This approach guided our engagement with senior officials at Treasury and the Federal Reserve Board, which helped inform their efforts to calm the markets. Same for our discussions with the SEC [Securities and Exchange Commission] and staff, which helped us secure relief to give funds another tool to manage their liquidity, just in case they needed it.

Bergé-Vincent: Here in Europe, we were engaged with policymakers in a wide range of areas. But none more important, I think, than our work to keep financial markets from closing in response to the volatility triggered by the pandemic and the shutdowns of economies.

As the crisis ramped up, we stood shoulder-to-shoulder with other market participants against calls for the markets to close, and led a [global effort](#) urging policymakers to commit publicly to keeping them open.

Our thinking here was that such a commitment would assure citizens and businesses that they wouldn't lose access to funding when they needed it most. And we're grateful that, in the end, not a single European country closed its markets.

What about supporting members' own responses to the crisis? ICI was quite active there as well.

Burns: Very much so. Every week—and often more frequently than that—[our committees](#) were holding calls for pretty much every area of the industry. Operations, law, the risk officers, the compliance folks—everyone. At times we had several hundred people on a single call—from firms of every size and style you can think of.

Having this holistic view of the fund complex—of the fund business—ensured that [our support](#) would reach the entire membership, not just parts of it. Plus, in working with other trade groups, we were able to minimize any bottlenecks that might have disrupted the transaction process or kept the delivery of services to shareholders from running smoothly.

Olson: I would add that our frequent member surveys also played a key role here. Members told us regularly that having a broad understanding of the challenges brought on by the crisis—and responses to it—helped them better assess and improve their operations and compliance efforts.

Why do you think you were able to draw such robust participation?

Burns: You know, members have long turned to our committees as a place for practical, productive discussion to enhance operations for the benefit of fund shareholders.

In times of crisis, this type of forum becomes even more critical. And I think so many folks joined, one, because they were eager for information to bring back to their firms, and two, because they

wanted to be a part of the regulatory and operational solution themselves—and turn this information into action.

Data security has been huge.

Burns: You're telling me. Our members are always working with highly sensitive information, and they never stop working to ward off cyberattacks.

But the number of attacks we've seen since the crisis hit—the sophistication of them—it's all been on another level. So members have had to dedicate an enormous amount of energy and resources to shore up their cyberdefenses, get them in place at people's homes, and reinforce sound cyberhygiene practices among their staffs.

I'd like to now fast-forward some, and zoom out a bit beyond the fund industry. Because even as markets have calmed, economies continue to reel.

Patrice, that's certainly true in Europe, which is suffering its worst economic shock since World War II. What role can regulated funds play in Europe's efforts to restore economic growth, and how is ICI engaging here?

Bergé-Vincent: Well, we've been saying it since long before the pandemic. The key to unlocking the EU's economies is a robust [Capital Markets Union](#)—one that promotes a greater role for market-based financing and encourages more retail-investor participation.

The same is true now, only the need is even more urgent. And regulated funds—because they've proven so useful for growing household savings and channeling investment to businesses—are well positioned to address this need.

We've emphasized these points to the European Commission in recent months. And the Commission's new Capital Markets Union Action Plan would suggest that our recommendations haven't gone unnoticed.

A lot remains to be done, though. The EU's recovery plan relies for the time being on financing from bank loans and taxpayer money. Those are important sources of financing—don't get me wrong—but they alone won't be nearly enough to deliver a lasting recovery. So our advocacy looking forward will center on showing policymakers why increased retail investor participation in EU capital markets through regulated funds is the missing piece.

You've all worked in and around the fund industry for quite some time, and navigated ICI through more than a few challenges. But I have to ask—what has *this* crisis taught you about the industry?

Burns: What I've learned is, the industry is even more resilient than we thought. Thinking about that shift to remote work, few of us had ever contemplated something at such a scale and speed.

Yet everyone—and I mean, everyone—really stepped up to ensure that service to shareholders wouldn't suffer.

Bergé-Vincent: It's kind of like everyone in the industry has been put through this big test—a test of tests, if you will. The fact that we're still going strong should give us all confidence that whatever

challenges come our way, we can overcome them. Together, we are stronger. That's the big lesson for me.

Olson: And I think that's heartening. Over the past 80 years, funds have evolved constantly to meet the needs of their shareholders, but the industry had never had to navigate something like this.

Now, we know that wholesale change doesn't have to be scary. It doesn't have to worry us. Instead, it can be a spark for serving shareholders even better in the future.

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