

## VIDEO

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# Focus on Funds: Global Use of UCITS Funds Is Under Threat

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New regulatory measures emerging from Brexit could jeopardize the success of funds based on the European Union's Undertakings for Collective Investment in Transferable Securities, or UCITS. In the June 30, 2017, edition of *Focus on Funds*, ICI Global Managing Director Dan Waters details the ramifications for fund managers and investors.

### Transcript

**Stephanie Ortvals-Tibbs, ICI director, media relations:** Brexit—the United Kingdom's exit from the European Union—will raise many questions. But one of the key ones for global funds and their investors is, what's going to happen with delegation of portfolio management? Recently, I caught up with ICI Global Managing Director Dan Waters to find out the latest.

**Dan Waters, ICI Global managing director:** You know, we've been involved in Brexit, really, from the beginning, with our key messages focusing on investors and their concerns, and our worries about investors, and that's still in the core.

But now we're getting into the detail. And now it's clear that there's a threat to delegation. One of the hallmarks of the UCITS brand's global success is the ability to delegate portfolio management right across the entire globe. Surprisingly, that is now under threat.

**Ortvals-Tibbs:** Dan, what are you conveying on behalf of global funds and their investors?

**Waters:** For the UCITS brand itself, it's the only successful global investment brand—there's nothing else. It's sold in countries all over the world, it's authorized in different jurisdictions. It is the global investment vehicle of choice, and one of the reasons is because it's so flexible. It's strong—the regulation is trusted and relied upon—but the delegation framework is very, very flexible. And that's why it's been working. You're able to concentrate centers and sources of expertise, achieve economies of scale, achieve economies of scope, deliver better value to investors. It's a winning proposition, and what we're saying to the Europeans is, let's not let an unseemly fight overcome the benefits that UCITS have brought to the single market, and to the whole world.

## Additional Resources

- [Statement: ICI Global Praises European Progress on Capital Markets](#)
- [ICI Viewpoints: Industry Leaders Highlight Opportunities Presented by Industry Change](#)
- [ICI Viewpoints: Geopolitics and Global Business: What the Future Holds](#)
- [Focus on Funds: Top Concerns for Funds as Brexit Begins](#)

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