WORLD BANK GROUP
Finance, Competitiveness & Innovation
Financial Sector Advisory Center (FinSAC)

AMCs for the Next Decade – International Comparative Lessons

10th IPAF Summit and Conference "Advancing NPL Resolution in Asia: Innovation, Institutions, and Market Readiness"

August 13, 2026

Karlis Bauze

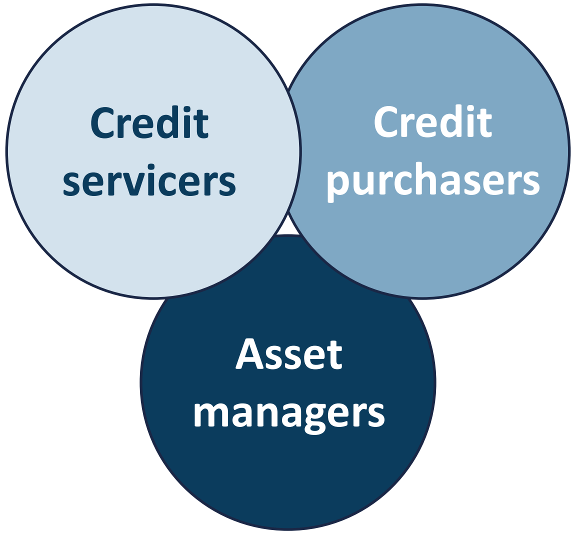
Senior Financial Sector Specialist, FinSAC, World Bank Group

Distressed asset management framework

1. Manage distressed assets within the bank – NPL management unit and NPL reduction strategy.

NPL workout units
Recovery units
Revitalization units

2. Distressed asset management infrastructure – banks outsource to third-parties.

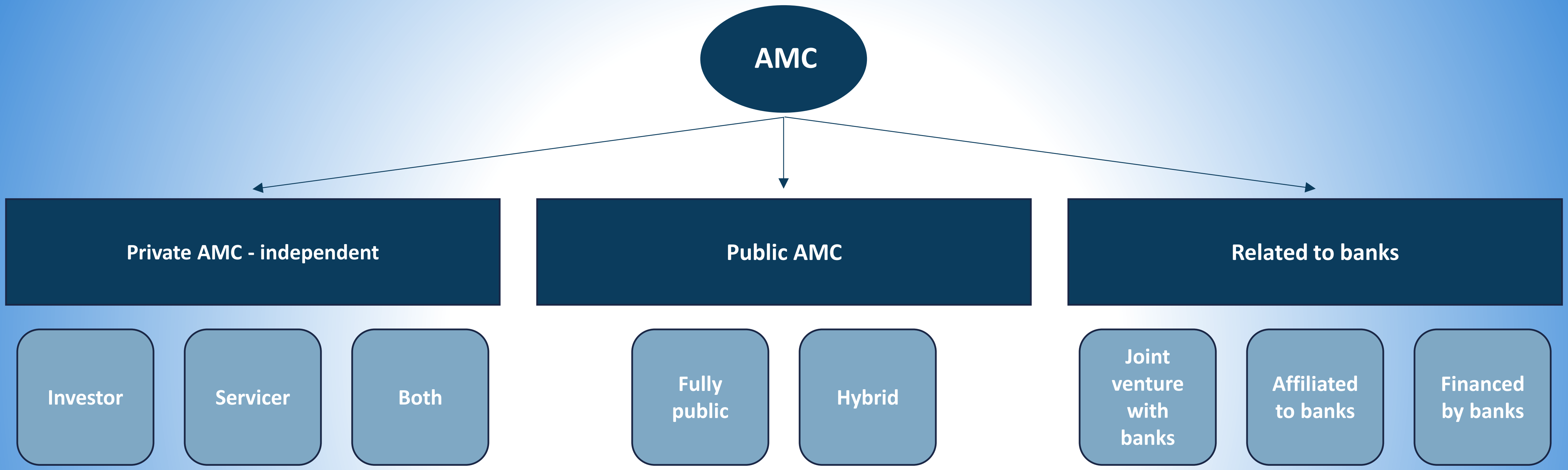


Special case – bank resolution and distressed asset carve-out.

3. Enabling environment – legal and market preconditions for resolving distressed assets.

- Legal frameworks (collateral enforcement, insolvency)
- Asset transferability
- Tax regime

AMC ecosystem



The European Union's Credit Servicers and Credit Purchasers Directive:

- Stricter regulation of servicers
- Relaxed regulatory framework for investors

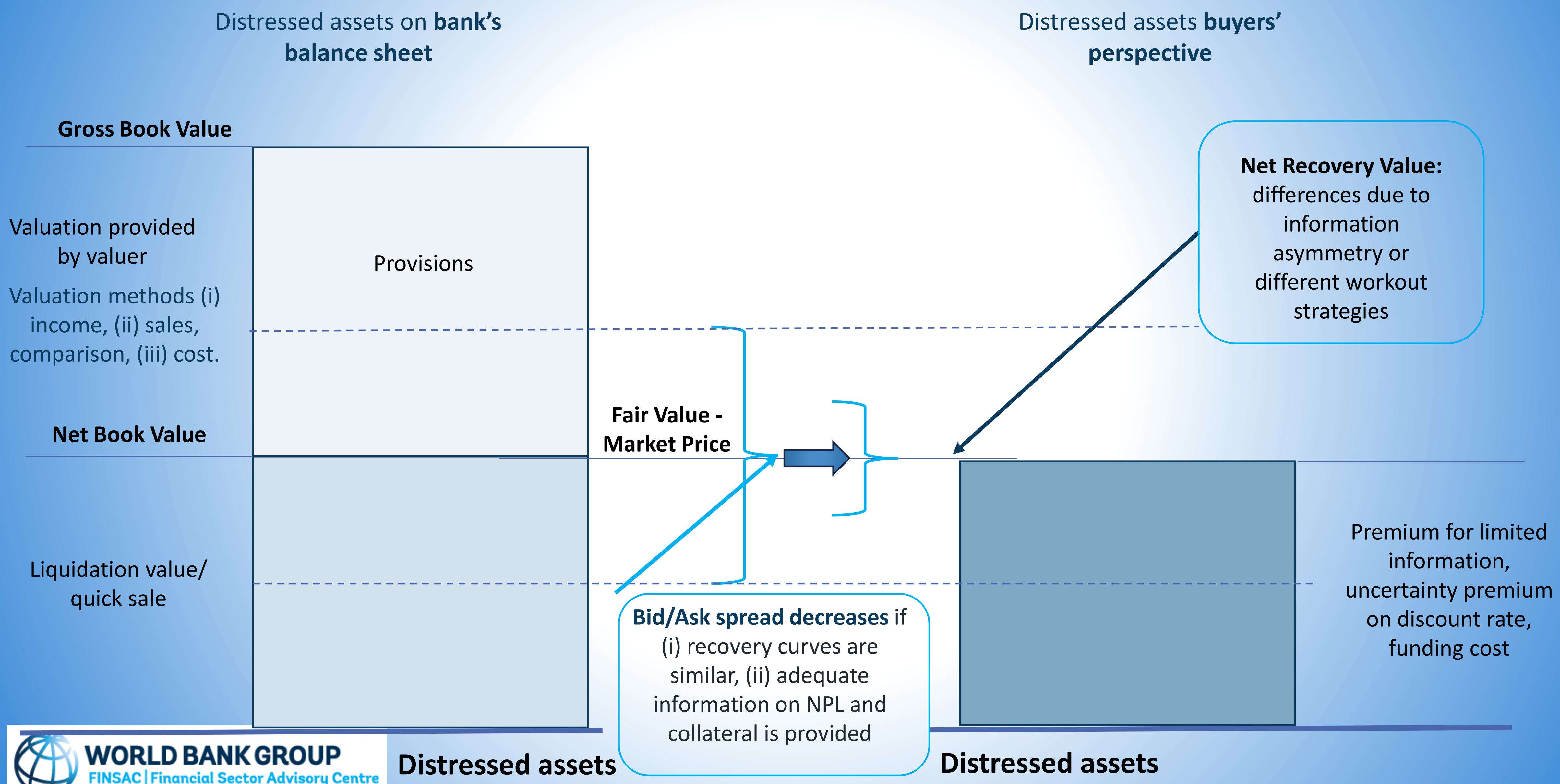
Stricter regulatory framework (separate law)
Main questions:

- Transfer price
- Governance
- Exit strategy

Issues for consideration:

- Consolidated supervision (50% issue)
- Transfer price
- AMC financing by banks (daisy chains)

Bid-ask spread in NPL sales



WORLD BANK GROUP
FINSAC | Financial Sector Advisory Centre

Many thanks for your attention!

FinSAC's web site: http://www.worldbank.org/en/programs/financial-sector-advisory-center#1

WORLD BANK GROUP
FINSAC | Financial Sector Advisory Centre