

The 7th International Public AMCs Forum (IPAF)

Training Seminar on "Seeking New Mechanism Addressing an Upsurge of Nonperforming Loans in post-Covid 19 Era"

Asian Development Bank (ADB) and KAMCO, June 20~23, 2022
[Virtual Seminar; KST time zone, local time in Seoul]

Amid the ongoing COVID-19 pandemic, rising inflation and policy rates, as well as geopolitical tensions, the risks to Asia's financial systems continue to loom large. A sharp increase in nonperforming loans (NPLs) could destabilize regional financial systems and compromise post-pandemic economic recovery. Addressing rising NPLs in the post-COVID 19 era is of great importance to the region's authorities, asset management companies, banks, and other stakeholders as past experiences demonstrated the negative macrofinancial effects of high NPLs on the real economy, underlining the importance of swift resolution measures.

ADB together with Korea Asset Management Corporation (KAMCO) is pleased to launch this training program on various mechanisms addressing rising NPLs. The training program will be conducted virtually from June 20th to 23rd, 2022. It aims to provide target participants—including representatives from asset management companies and selected ADB country member officials from the region—a timely suite of training modules to enhance their understanding and appreciation of various mechanisms to address rising NPLs. Topics covered in this training program include financial sector challenges in the context of the COVID-19, incentivizing NPL investment and facilitation resolution, development of national NPL resolution strategies, considerations for the development of online NPL transaction platform, and role of fintech on NPLs.

Guidelines:

- This event will be conducted virtually via Zoom platform for four half-days. A calendar invite will be sent prior to the event.
- The sessions will be recorded. By participating in this virtual training course, the participants are giving us your consent to do so.
- Kindly follow the allotted time to guarantee a smooth running of sessions.
- Participants belonging to the same company or institution are encouraged to take the course in a common venue to facilitate interaction and participation within the same organization.
- If some participants inevitably participate separately at home, they must turn on the video.
- Most of sessions are composed of two to three resource speakers discussing related topics. There are two types of session, one is presentation session, and the other is the panel discussion. For the panel discussion, a Moderator/Panelist will be the first to present followed by the other Panelists. The Moderator/Panelist will then facilitate the discussion and/or Q&A within the time duration.
- Some sessions can be pre-recorded depending on the availability of the resource speakers.
- During the networking break, one or two participants from each institution will gather online and form a small group to communicate and interact with each other.

Program Agenda

Day / Time	Topic	Speakers*
June 20 (Monday)	Practices and Lessons in Managing NPLs in times of COVID-19	
Master of Ceremonies: KAMCO or ADB		
13:30-14:00	Registration	
14:00-14:10	IPAF Video	
14:10-14:15	Welcome Remarks	Hojoon WON Executive Director KAMCO
14:15-14:20	Opening Remarks	Cyn-Young Park Director, ERCI Asian Development Bank
14:20-14:25	Introduction and Course Overview Introduction of Course Participants	Inyoung HWANG Manager KAMCO
14:25-14:40	Break	
14:40-15:20	Keynote Presentation	
14:40-15:00	Reinforcing Preparedness for Financial Impacts from Crises	Li Lian Ong Group Head Financial Surveillance AMRO
15:00-15:20	Challenges for Financial Sector in the context of the COVID-19 crisis	Hassan Zaman Senior Adviser, South Asia Region World Bank
15:20-15:40	Networking Break	Online group meeting
15:40-17:00	<p>Session 1</p> <p>Panel Discussion: Country Case: Implications of COVID-19 and the Lessons Learned for Financial Stability Policy in Asia [three 20 minute presentations; 20 minutes for discussion]</p> <ul style="list-style-type: none"> • <i>Macroeconomic Effects of COVID-19 on Financial Stability</i> • <i>COVID-19 related measures impacting NPL resolution</i> • <i>Government-wide Strategies and Policies Taken in a bid to Normalize Financial System</i> • <i>Empirical Assessment of Potential scenarios for NPL treatment</i> <p>Discussion</p>	<p>John Beirne Vice-Chair of Research and Senior Research Fellow ADBI Moderator/Speaker</p> <p>Don Nakornthab Senior Director Financial Stability Department Bank of Thailand</p> <p>Chuchi Fonacier Deputy Governor Financial Supervision Sector Bangko Sentral ng Pilipinas</p>
17:00-17:10	Break	
17:10-17:30	Q&A session and Wrap-up	

June 21 (Tuesday)	Crisis Management Strategies in the post-COVID-19 landscape	
13:30-14:30	Session 2 Challenges and Achievement of Incentivizing NPL Investment and Facilitating Resolution [three 20 minute presentations]	Dejan Vasiljev Associate Director Capital and Financial Markets Development Team EBRD
	<ul style="list-style-type: none"> • <i>Strengthen the NPL Resolution frameworks</i> • <i>Dynamics of Legal & Institutional Frameworks Associated with Domestic and International NPL Investments</i> • <i>Approaches to Facilitate the Development of Secondary Markets for NPLs</i> 	Sungmee HONG Lawyer Lee & Ko Chen LAU Partner, Business Recovery Services PwC
14:30-14:40	Break	
14:40-16:00	Session 3 Case Study: Experiences from Rep. of Korea	
14:40-15:30	Innovative Asset Recovery Measures of Deposit Insurers: Brief introduction of KDIC / Asset recovery of bankrupt financial company / Asset recovery of KR&C	Seunghoo LEE Senior Manager KDIC Minchul KIM Senior Manager KDIC Chun-sik KIM Team Head KDIC
15:30-15:40	Break	
15:40-16:00	Business Normalization Support Programs by KAMCO	
16:00-16:20	Networking Break	
16:20-17:40	Session 4 Panel Discussion: Development of National NPL Resolution Strategies and Role of Public AMCs [three 20 minute presentations; 20 minutes for discussion]	Reiner Martin Director of Research Slovak National Bank Chu Ngọc Lâm Deputy General Director, Debt Trading Department 2 DATC
	<ul style="list-style-type: none"> • <i>NPL Resolution strategies in the post-COVID-19 landscape</i> • <i>Measures Public AMCs can Undertake to Mitigate the Impacts on the NPL Market</i> 	Jamie Bourke Chief Strategy and Transformation Officer National Asset Management Agency (NAMA)
	Discussion	
17:40-17:50	Break	
17:50-18:10	Q&A session and Wrap-up	

June 22 (Wednesday)	Strengthening Asia's NPL Markets Through Online Transaction Platform	
13:30-14:30	<p>Session 5</p> <p>Key Success Factors for Creation and Operation of Online NPL Transaction Platform [three 20 minute presentations]</p> <ul style="list-style-type: none"> • <i>European Commission's NPL Action Plan-Current Status & Implications</i> • <i>(Case study) Private online NPL transaction platform players in the U.S. and Europe-Key Success Factors & Risks</i> 	<p>Reiner Martin Director of Research Slovak National Bank</p> <p>Timur Peters CEO Debitos</p> <p>Gifford S. West Managing Director Alpine Tremont, LLC</p>
14:30-14:50	Break	
14:50-15:50	<p>Session 6</p> <p>Practical Considerations and Roadmap for the Development of an NPL Online Trading Platform in Asia [three 20 minute presentations]</p> <ul style="list-style-type: none"> • <i>Major Findings of the 1st Feasibility Study and Key Takeaways</i> • <i>Practical Considerations in Developing an NPL Online Platform and Action Plans</i> • <i>Strengthening Asia's NPL market through the platform</i> • <i>Lessons Learned and Future Plan</i> 	<p>Peter Rosenkranz Financial Sector Specialist, EARD ADB</p> <p>Richard Bevan Director, Portfolio Lead Advisory Services Deloitte</p> <p>Sunjoon CHOE Team Head KAMCO</p>
15:50-16:10	Networking Break	
16:10-17:30	<p>Session 7</p> <p>Panel Discussion: Country Case: Effective Implementation and Operation strategy for Domestic Online NPL Transaction Platform [four 15 minute presentations; 20 minute discussion]</p> <ul style="list-style-type: none"> • <i>Success Factors of Online Platforms in China and Case Studies</i> • <i>Background and Progress on Establishing the Platform in Asia</i> • <i>Prerequisite for Successful Establishment and Operation of Domestic Online NPL Transactions Platform</i> <p>Discussion</p>	<p>Karlis Bauze Senior Financial Sector Specialist Vienna Financial Sector Advisory Centre (FinSAC) World Bank</p> <p>Li Chuanquan Deputy General Manager Zheshang Asset Management Co., Ltd.</p> <p>Vu Ngoc Minh Director, Loan Transaction Platform Branch VAMC</p> <p>Medet Bitabarov Head, Analytics, and International Cooperation Division Funds of Problems Loans</p>
17:30-17:40	Break	
17:40-18:00	Q&A session and Wrap-up	

June 23 (Thursday)	Innovation and Digital Transformation in the Financial Sector	
13:30-14:00	Session 8 Challenges and Opportunities: Fintech in Asia and the Pacific region	Jungwoon Lee Financial Sector Specialist ADB
14:00-14:25	Session 9 Expanding Digital and Financial Inclusion	Jennifer Chien Senior Financial Sector Specialist World Bank (Pre-recorded Video)
14:25-14:40	Break	
14:40-15:10	Session 10 Preparing for the Next Wave of NPLs: Digital Technology Applicable to Address NPLs <ul style="list-style-type: none"> · <i>Leveraging Digital Solutions and Data</i> · <i>Solving NPLs through Data-driven Digital Experience</i> 	Burkhard Heppe CTO and co-founder NPL Markets Ltd
15:10-15:30	Networking Break	Online group meeting
15:30-15:50	Q&A session	
15:50-16:00	Course Evaluation	
16:00-16:10	Break	
16:10-16:50	Virtual Korea Tour	
16:50-16:55	Closing Remarks	Jongsoo KIM General Manager KAMCO
16:55-17:25	Certificate Presentation	