



International Public AMCs Forum (IPAF)
Seminar on Safeguarding Financial Stability through NPL Market Development
23-25 November 2015, Ulan Bator, Mongolia
Co-organized by Asian Development Bank and Bank of Mongolia

Hour	[Day 1] Financial Stability and AMC Mechanisms	[Day 2] Legal and Institutional Frameworks for Effective Management of NPLs	[Day 3] NPL Market Development in Asia
9:00 am to 10:30 am	<p style="text-align: center;">8:30am – 9:00am Registration and Coffee</p> <p style="text-align: center;">9:00am – 9:10am Opening Remarks Batshugar E., Deputy Governor, Bank of Mongolia (BOM)</p> <p style="text-align: center;">9:10am – 9:20am Welcome Remarks Cyn-Young Park, Director, ADB</p> <p style="text-align: center;">9:20am – 9:30am Official Photo</p> <p style="text-align: center;">9:30am – 10:10am [Keynote Address I] Financial Development and Issues in developing Asia, including the Mongolian financial sector Cyn-Young Park, Director, ADB</p> <p style="text-align: center;">10:10am – 10:50am [Keynote Address II] Macro-financial Linkages with Non-Performing Loans (NPLs) Junkyu Lee, ADB</p>	<p style="text-align: center;">9:00am – 10:30am Key Legal and institutional frameworks for establishing Public AMCs Gary Gegenheimer: Part 2 – Corporate Restructuring</p> <ul style="list-style-type: none"> • Legal and regulatory issues for effective corporate restructuring and NPL resolution <ul style="list-style-type: none"> ○ Roles of the central bank, central government, and the private sector ○ Basic laws to facilitate asset disposition and debt/corporate restructuring <ul style="list-style-type: none"> - banking law or regulation, - bankruptcy law, - insolvency law, - property rights law, - securitization law, etc. • Financial and Tax issues: <ul style="list-style-type: none"> ○ Financial regulations ○ Accounting practices in selected Asian economies 	<p style="text-align: center;">9:00am – 9:40am Recent trends of Asian NPL Markets (Banking Sector/Equity Market/Bond Market/Real Estate Market) Gary Gegenheimer</p> <ul style="list-style-type: none"> • This session looks at recent NPL statistics from selected Asian countries, trends behind the numbers, and progress toward implementation of the FSB's Key Attributes <p style="text-align: center;">9:40am – 10:00am AMC Laws and Regulations In Thailand Suchanya Villegas, Sukhumvit Asset Management Co., Ltd. (SAM)</p> <p style="text-align: center;">10.00am – 11:00am Working Group Discussions</p> <ul style="list-style-type: none"> • Group A (Leader: Suchanya Villegas, SAM) • Group B (Leader: Munkhbat Yo, BOM) • Group C (Leader: Tyn Tawitaranond, SAM) • Group D (Leader: Yuchen Lu, China Orient) • Group E (Leader: Patipan Pasuwat, SAM) • Group F (Leader: Davaajav Ch, BOM) • Group G (Leader: Nergui Yu, BOM)
	Coffee/Tea Break	Coffee/Tea Break	Coffee/Tea Break

11:00 am to 12:30 pm	<p style="text-align: center;">11:00am – 12:30pm</p> <p style="text-align: center;">Financial Regulatory and Supervisory Policies on Sound Banking and NPL Issues Gary Gegenheimer</p> <ul style="list-style-type: none"> • Financial instability and its effects on the economy can be very costly due to its contagion or spill-over effects to the real economy. • It is fundamental to have a sound, stable and healthy financial system to reduce the risk of, and/or mitigate financial crises • Strengthening banking regulation becomes a key issue since the global financial crisis: <ul style="list-style-type: none"> ○ Risk management ○ Good corporate governance ○ Group supervision ○ Enforcement 	<p style="text-align: center;">11:00am – 12:30pm</p> <p style="text-align: center;">Legal and Institutional Frameworks for Structural and Operational issues of Public AMC's Gary Gegenheimer</p> <ul style="list-style-type: none"> • This session focuses on the institutional structure of public AMC's. <ul style="list-style-type: none"> ○ Objectives of Asset Management Policies: facilitation of financial restructuring, high rate of recovery; speedy resolution; normalization of asset markets ○ Creating an enabling framework for asset resolution – The role of government; speed is of the essence; comprehensive, consistent approach; recognize the losses ○ Prerequisites for Effective Asset Management Policies – An effective legal system; a sound financial regulatory and supervisory framework; a neutral tax framework; A stable macroeconomic environment ○ Some developments regarding business opportunities that public AMC's can potentially explore to enhance profitability: ○ Structural and operational issues (Ownership, legal Power); governance and incentive issues ○ Operational issues – Selection of Assets; Pricing; Funding; Asset management and disposition ○ Implementing the asset resolution process: involve the private sector; asset resolution vehicles; asset sales; corporate restructuring; special incentives and powers; equity holdings 	<p style="text-align: center;">11.00am – 12.00pm</p> <p style="text-align: center;">Role of Public AMC's and Ideas of how to develop the Asian NPL Market (the Asian NPL Initiative) Junkyu Lee, ADB</p> <ul style="list-style-type: none"> • This session is designed mainly to discuss the role of public AMC's in developing the NPL market, and its strategies for fostering and developing an NPL market. • Is there a need for a regional NPL market in Asia? How should Asian policymakers approach the issue? How can IPAF initiate and facilitate the development of an Asian NPL Market? <p style="text-align: center;">12:00pm – 12:30pm</p> <p style="text-align: center;">Closing Remarks and Graduation Ceremonies (Distribution of certificates)</p>
	LUNCH	LUNCH	LUNCH

1:45 pm to 3:00 pm	<p style="text-align: center;">1:45pm – 3:00pm</p> <p style="text-align: center;">Key Legal and Regulatory Elements for a Well-functioning NPL Resolution Gary Gegenheimer: Part 1 – Bank Resolution Regimes</p> <ul style="list-style-type: none"> • Ex-ante vs Ex-post bank resolution tools • Bank Resolution Regimes in the FSB and EU • FSB’s “Key Attributes of Effective Resolution Regimes for Financial Institutions” vs EU’s “Bank Recovery and Resolution Directive” • Accounting practices on loan provision • Tax treatment for loan loss provisioning 	<p style="text-align: center;">1:45pm – 3:00pm</p> <p style="text-align: center;">Asset resolution and disposition strategies and process Gary Gegenheimer</p> <ul style="list-style-type: none"> • Distressed asset resolution procedure <ul style="list-style-type: none"> ○ Step1. Strategy formation (Keep strategy, sell or write-off) ○ Step2. Conduct due diligence ○ Step3. Segment the portfolio ○ Step4. Value the portfolio ○ Step5. Structure the transaction ○ Issues: Tax and Legal issue, financial and accounting issues and value maximization 	
	Coffee/Tea Break	Coffee/Tea Break	
3:15 pm to 5:00 pm	<p style="text-align: center;">3:15pm – 5:00pm</p> <p style="text-align: center;">Banking Statistics and Financial Supervisory issues Kwansoo Oh, Financial Supervisory Service in Korea</p> <p style="text-align: center;">5:00pm – 5:20pm</p> <p style="text-align: center;">Legal and Institutional frameworks for bank and corporate restructuring in Asia Gary Gegenheimer</p> <ul style="list-style-type: none"> • This session focuses on efforts of selected Asian countries to combat the Asian financial crisis, and current infrastructures for bank and corporate restructuring 	<p style="text-align: center;">3:15pm – 3:45pm</p> <p style="text-align: center;">[Case Study] NPL resolution in Kazakhstan KyunTaek Kim, Korea Asset Management Corporation (KAMCO)</p> <ul style="list-style-type: none"> • This session will provide an opportunity for KAMCO to share its experience in cross-border cooperation and extending policy advice to the Kazakhstan government. <ul style="list-style-type: none"> ○ KAMCO has recently embarked on a bilateral cooperation with the National Bank of Kazakhstan to assist the country in addressing its NPL problem. 	

3:15 pm to 5:00 pm	<p style="text-align: center;">5:20pm – 6:00pm</p> <p style="text-align: center;">[Case Study] Legal and Institutional Experiences in establishing public asset management mechanisms in Asia</p> <p style="text-align: center;">Hyung Soo Kim, ADB</p> <ul style="list-style-type: none"> This session will examine and contrast their respective local practices from actual cases from selected Asian countries. Overview of legal and regulatory framework for NPL resolution in crisis-affected countries such as Indonesia, Malaysia, Korea, and Thailand will be revisited. 	<p style="text-align: center;">3:45pm – 5:00pm</p> <p style="text-align: center;">Recent Trends of European NPL resolution Mechanisms (Public AMCs or Bad Banks)</p> <p style="text-align: center;">Junkyu Lee, ADB</p> <ul style="list-style-type: none"> This session will introduces recent European public AMC mechanisms, revisit advantages and disadvantages of centralized AMCs European Public AMCs <ul style="list-style-type: none"> Ownership of AMCs: Governments tend to use publicly owned bad banks to resolve publicly owned failed banks. 15 Publicly created AMCs exist in at least 12 EU member countries (2008-2014) Time span of AMCs operations: The typical mandate for a private/publicly co-funded AMC is at least 10 years: 8 AMCs from 2009-2015 were established in Europe 	
6:30 pm ~	Welcome Dinner hosted by Bank of Mongolia	Network Dinner hosted by Bank of Mongolia	