



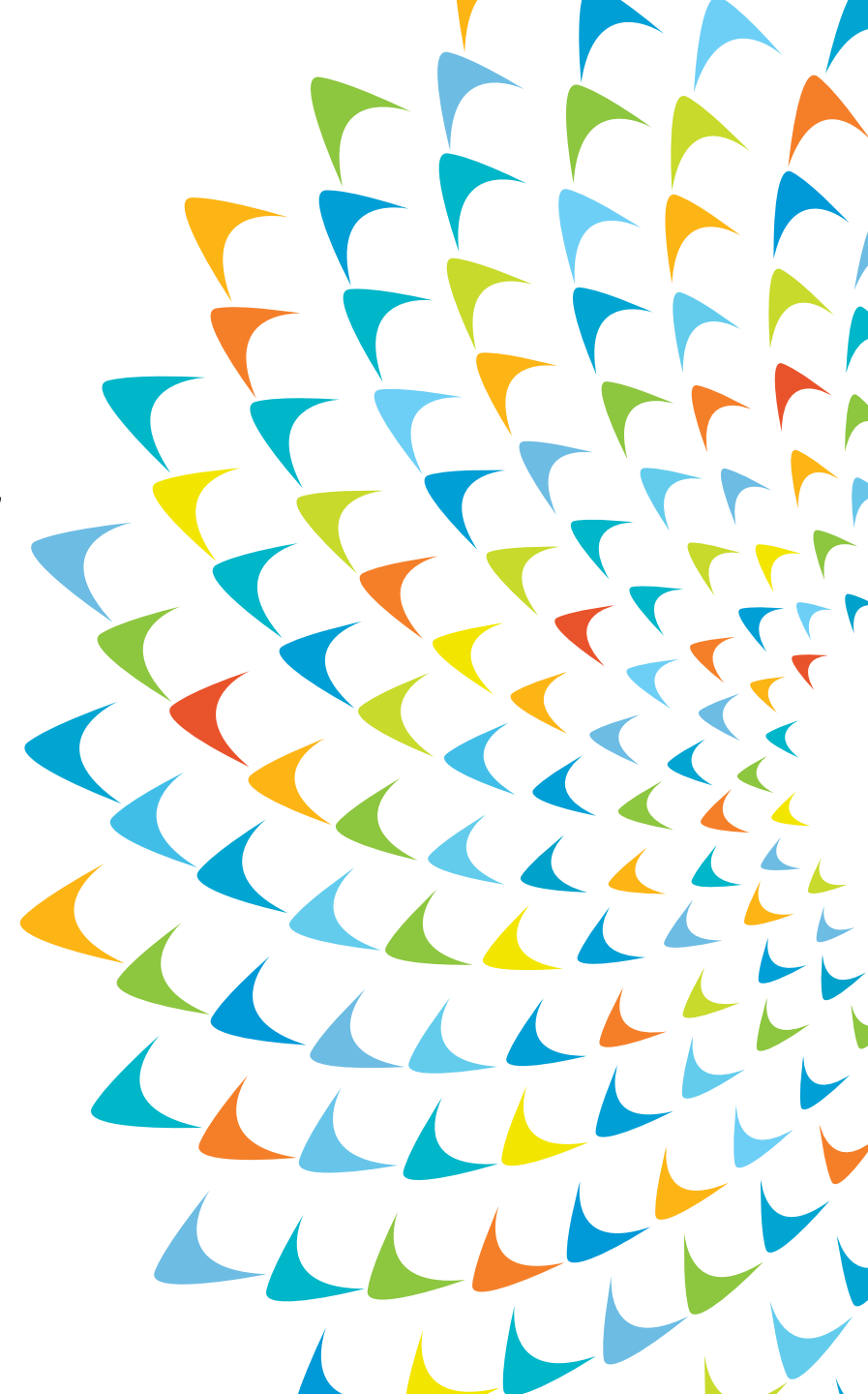
IPAF Progress Report 2022

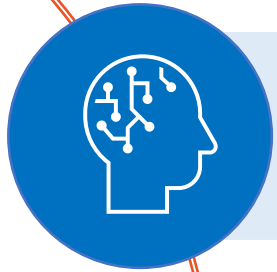
Key Achievements and Future Directions

Inyoung Hwang
Regional Cooperation specialist

Regional Cooperation and Integration Division
Economic Research and Regional Cooperation Department
Asian Development Bank

27 October 2022 | IPAF International Conference:
Regional Cooperation for Safeguarding Macroeconomic and Financial Stability





Establishment of IPAF and ADB's support



IPAF Activities and Accomplishments



Future Directions



Establishment of IPAF and ADB's support



IPAF's Foundations in 2013

✓ Background

This Committee was conceptualized at the Hanoi international conference in 2012.

✓ Establishment

The IPAF was established to provide opportunities for collective actions to address regional economic issues through knowledge sharing and partnership development through the initiative of seven public Asset Management Companies (AMCs) in 2013

Objective

Reinforce the regional AMCs



Vision

Reinforce an economic safety net



Mission

Stabilize regional economies





ADB Support with TA

- ✓ In 2013, ADB started to support the IPAF with a technical assistance (TA), “***Establishment of the International Public Asset Management Company Forum (IPAF)***”
 - assist in the establishment of the IPAF
 - generate knowledge on crisis resolution and asset management
 - build capacity in public AMCs and institutions entrusted with crisis management and resolution

- ✓ The 2nd TA was approved in 2018, “***Strengthening Asia's Financial Safety Nets and Resolution Mechanisms***” identify strategies for NPL resolution mechanisms and the development of NPL markets
 - conduct research and training seminars tailored for Asian developing economies
 - continue working with IPAF in NPL research, including case studies and comparative analyses
 - collaborate with the European Central Bank, including joint research and research meetings



IPAF Activities and Accomplishments





Expansion of IPAF Membership

- ✓ Founded in May 2013 with **7 members from public state-owned AMCs from 5 countries** in Asia, the membership has expanded to **16 members in 8 countries by 2022**

General Members

KOR	Korea Asset Mgt. Corp.(KAMCO) ('13)
THA	Sukhumvit Asset Mgt. t Co., Ltd. (SAM) ('13)
PRC	China Cinda Asset Mgt. Co., Ltd. ('13)
PRC	China Great Wall Asset Mgt. Co., Ltd ('13)
PRC	China Huarong Asset Mgt. Co., Ltd. ('13)
VIE	Debt and Asset Trading Corp. (DATC) ('13)
PRC	Orient Asset Mgt. Co., Ltd. ('14)
PRC	Zheshang Asset Mgt. Co., Ltd. ('14)

General Members

VIE	Vietnam Asset Mgt. Co., (VAMC) ('17)
INO	PT Perusahaan Pengelola Aset (Persero) (PT PPA) ('19)
MNG	Mongolian Asset Management Corp. (MAMCO) ('22)

Associate Members

KAZ	Fund of Problem Loans (FPL) ('13)
KOR	Deposit Insurance Corp. (KDIC) ('14)
THA	Deposit Protection Agency (DPA) ('15)
MYS	Perbadanan Insurans Deposit Malaysia (PIDM) ('16)
MYS	Agensi Kaunseling dan Pengurusan Kredit (AKPK) ('21)





IPAF Knowledge and Training Events

- ✓ **6 IPAF Summit and Conferences** successfully held, in collaboration with **ADB**
KAMCO (2013, 2019); SAM (2014); China Huarong (2015); VDATC (2018)

2013/05	Reinforcing the safety net of the Asian Economy	Seoul, KOR	KAMCO
2014/09	Preparing for the New Economic Horizon	Bangkok, Thailand	SAM
2015/10	Conference on New Normal, New Trend, New Vision	Beijing, PRC	CHAMC
2018/11	A Road to Strengthening Asia's Financial Safety Net and Resolution Mechanism	Hanoi, Viet Nam	VAMC
2019/09	Regional Financial Cooperation to Enhance Financial Stability and Development	Seoul, KOR	KAMCO
2020/07	Staying Connected in Challenging Times	(Virtual)	SAM

- ✓ **8 IPAF Coordinating Council Meetings**





IPAF Knowledge and Training Events

- ✓ **7 IPAF Training Seminars** successfully held, in collaboration with **ADB**
KAMCO (2013, 2022); AFDC (2014); SAM (2015); Bank of Mongolia (2015); China Huarong (2016);
DATC and VAMC (2019)

2013/11	NPA/NPL Management, Methods and Practice	Seoul, KOR	KAMCO
2014/05	Establishing Mechanisms for Maximizing Recovery of NPLs and Evolving roles of AMCs	Shanghai, PRC	ADB
2015/04	How to run Asset Management Modalities	Pattaya, Thailand	SAM
2015/11	Safeguarding Financial stability through NPL market Development	Ulan Bator, MNG	BOM
2016/11	Managing NPLs in Asia and Europe	Shanghai, PRC	CHAMC
2019/05	Strengthening Regional Financial Stability through Effective Legal and Operational Frameworks for NPLs Resolution	Hanoi, Viet Nam	VAMC, DATC
2021/06	Seeking New Mechanism Addressing an Upsurge of Nonperforming Loans in post-Covid19 Era	(Virtual)	KAMCO

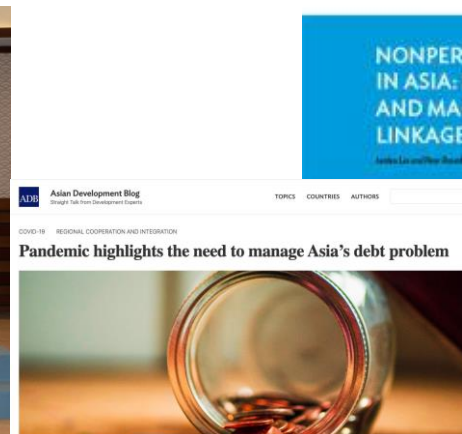
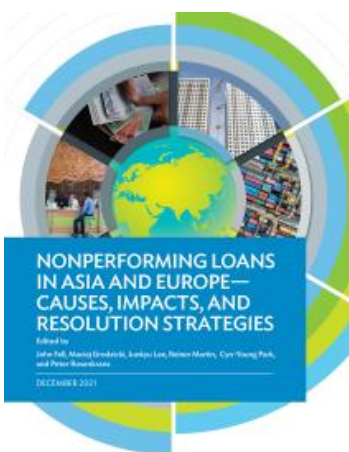




ADB International workshops

✓ 7 International workshops & events successfully held by ADB

2015/03	ADB-IPAF Workshop on strengthening the future of Asian financial markets	
2020/02	ADB-ECB Workshop on NPL Resolution in Asia and Europe https://events.development.asia/learning-events/adb-ecb-workshop-npl-resolution-asia-and-europe	ADB HQs, Manila
2021/02	Workshop–Roadmap for the Development of an NPL Trading Platform	(Virtual)
2021/05	1st Virtual Training Course on NPL Resolution for IPAF Members and DMC Officials	
2021/11	2nd Virtual Training Course on NPL Resolution for IPAF Members and DMC Officials	
2021/12	ADB/ECB Book Launch Webinar : NPLs in Asia and Europe—Causes, Impacts, and Resolution Strategies Nonperforming Loans in Asia and Europe—Causes, Impacts, and Resolution Strategies NPLs in Asia and Europe—Causes, Impacts, and Resolution Strategies (adb.org)	
2022/10	IPAF International conference: Regional Cooperation for Safeguarding Macroeconomic and Financial Stability	ADB HQs, Manila





Research Activities

- ✓ **Dissemination and presentation of research activities during IPAF Conferences**

- ✓ **Selected ADB Research and Publication**
 - ADB Economics Working Paper, “*Nonperforming Loans in Asia: Determinants and Macrofinancial Linkages*” <https://www.adb.org/publications/nonperforming-loans-asia-determinants>
 - ADB Brief, “*The Impact of Nonperforming Loans on Cross-Border Bank Lending: Implications for Emerging Market Economies*” <https://www.adb.org/publications/nonperforming-loans-cross-border-lending>
 - ADB Brief, “*Nonperforming Loans and COVID-19: How to Prevent a Looming Debt Crisis*” (2020)
 - Book, Road Map for Developing an Online Platform to Trade Nonperforming Loans in Asia and the Pacific (2022) <https://www.adb.org/publications/road-map-online-platform-trade-nonperforming-loans>

- ✓ **Joint ADB-ECB Research**
 - ADB-ECB Workshop on NPL Resolution in Asia and Europe (2020) <https://events.development.asia/learning-events/adb-ecb-workshop-npl-resolution-asia-and-europe>
 - Book, *Nonperforming Loans in Asia and the Europe: Causes, Impacts, and Resolution Strategies* (2020) <https://www.adb.org/publications/nonperforming-loans-asia-europe-causes-impacts>

✓ **Kazakhstan (2013-2014)**

- Fact-finding mission of ADB to meet with officials from the Central Bank, Ministry of Finance, Ministry of Economy and Budget Planning (MEBP) (Dec 2013); MEBP expressed interest in co-hosting a training seminar in Kazakhstan with ADB (IPAF) (Mar 2014)

✓ **Mongolia (2014-2015, 2017-2019)**

- Consultations with ADB, with resulting feasibility study on financial vulnerability, particularly distressed asset issues in Mongolia
- ADB and KAMCO provided technical support on Banking Sector Rehabilitation and Financial Sector Strengthening for Mongolia
- Central Bank of Mongolia officials participated at 4th IPAF Conference and shared their challenges involving the resolution of NPLs

✓ **Bangladesh (2018-2019)**

- Bangladesh Bank officials participated in the 4th and 5th IPAF Conferences and shared their challenges involving the resolution of NPLs
- Support through technical assistance, policy dialogue, and capacity building at IPAF events; and a November 2019 workshop in Dhaka (ADB, KAMCO, and SAM)



Future Directions



A leap to a new second stage

- ✓ **Expansion of membership and IPAF Commitment increase**
- ✓ **Feasibility Studies for Establishing an NPL Online Trading Platform**
 - Phase 1(2021~2022): Assessing the Readiness and Feasibility of Establishing an NPL Trading Platform in Asia
 - Phase 2(2023): Operational Guidelines Towards Establishing an NPL Trading Platform in Asia
- ✓ **IPAF Research Committee**
 - Established group under IPAF, currently consisting of 18 researchers from 9 IPAF members to support IPAF research and strategic directions
- ✓ **Development of Online NPL Training Courses and Manual**
 - Preparation of NPL training courses and related manual for virtual knowledge sharing



Thank you.

