



ADB/ECB Book Launch Webinar

Nonperforming Loans in Asia and Europe—Causes, Impacts, and Resolution Strategies

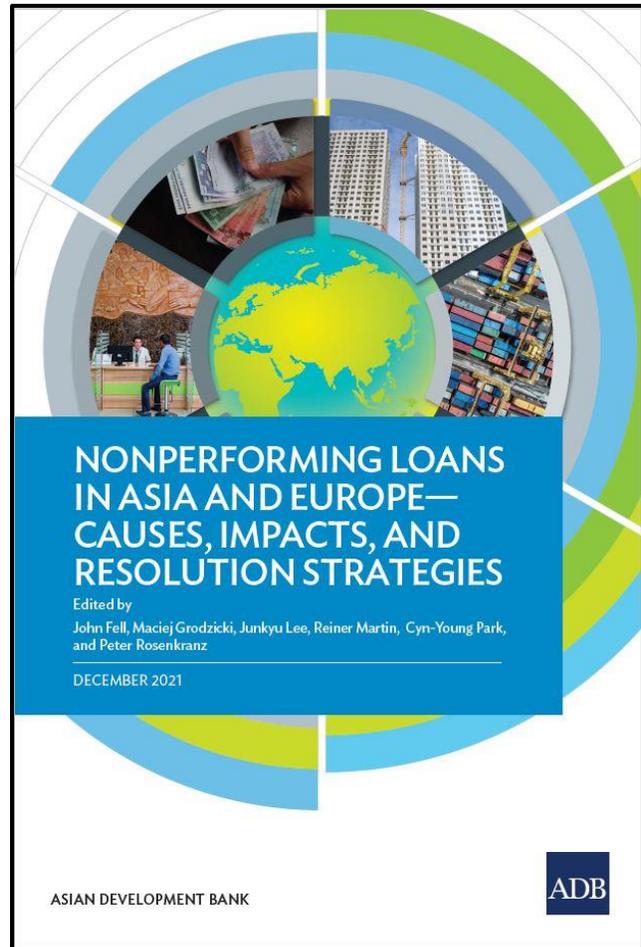
13 December 2021; 16:30 - 18:00 (Manila time, GMT+8); 09:30 - 11:00 (Frankfurt time, GMT+1)
Virtual

The coronavirus disease (COVID-19) pandemic has weighed heavily on the global economy, triggering a worldwide recession in its wake. And while quick policy action in the form of liquidity support and regulatory forbearance has allayed the risk of financial crisis, the threat of an elevation in nonperforming assets across Asia and Europe remains acute.

Previous crisis episodes have illustrated the destabilizing effect a buildup in nonperforming loans can have on the real economy and the need for swift and effective mitigating policy action. As NPLs begin to pick up across parts of Asia and Europe, comprehensive policy action remains crucial.

Against this backdrop, this webinar will highlight the key findings from the edited volume prepared by the Asian Development Bank and the European Central Bank. The discussion will distill the main insights on the implications of an increase in NPLs as well as the available policy options. The lessons outlined draw from empirical analyses as well as on country and regional case studies. Among the learnings highlighted is the necessity of fostering an ecosystem conducive to NPL market development and resolution, including addressing data asymmetries, improving financial market infrastructure, and enhancing legal frameworks and judicial capacities. Specific options to NPL resolution are discussed in detail, incl. the possible role of asset management companies, securitization schemes, or electronic NPL trading platforms. While highlighting the need for country-specific approaches, the book also discusses the beneficial role regional cooperation can play to strengthen NPL resolution mechanisms.

The presentation of the book's main findings will be followed by panel discussion among policy experts, aiming to contribute to the overall discussions of enhancing financial resilience in Europe and Asia amid the COVID-19 pandemic.



Agenda

Date: 13 December 2021

Host: Cyn-Young Park, Director for Regional Cooperation and Integration, ADB

16:30 – 16:35 **Opening Remarks**

Bambang Susantono, Vice-President for Knowledge Management and Sustainable Development, Asian Development Bank (ADB)

16:35-16:40 **Welcoming Remarks**

John Fell, Deputy Director General for Macroprudential Policy and Financial Stability, European Central Bank (ECB)

16:40-16:55 **Joint Presentation of Book's Key Findings**

Peter Rosenkranz, Economist, ADB

Reiner Martin, Lead Economist, Joint Vienna Institute

Maciej Grodzicki, Adviser, ECB

16:55-17:45 **Panel Discussion**

Theme: Navigating COVID-19 Recovery: How to Manage NPLs amid Policy Normalization?

Moderator: Cyn-Young Park, Director for Regional Cooperation and Integration, ADB

- **Chuchi Fonacier**, Deputy Governor, Bangko Sentral ng Pilipinas
- **Piroska Nagy-Mohacsi**, Visiting Professor LSE, former Director at EBRD
- **Bostjan Jazbec**, Board Member, Single Resolution Board
- **Chinang Kong**, Co-Head of Principal Investments Asia, Pepper Financial Services Group

17:45-18:00 **Q&A**