



**POST INVESTMENT MONITORING AND MANAGING PROBLEM
LOANS & REHABILITATION OF NON-PERFORMING CREDITS
NAMIBIA
COURSE OUTLINE**

ARRANGED BY

THE DEVELOPMENT FINANCE RESOURCE CENTRE

AND

**THE INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA AND SMALL
ENTERPRISE DEVELOPMENT CORPORATION**

7TH – 11TH MAY 2012

WINDHOEK, NAMIBIA

TRAINING PROGRAMME

The SADC Development Finance Resource Centre in conjunction with the the Industrial Development Corporation of South Africa and Small Enterprise Development Corporation, will be holding a training programme post investment monitoring and Managing Problem Loans & Rehabilitation of non-performing credits in Windhoek, Namibia from 7th – 11th May 2012.

A. Program Overview

The incidence of high credit failures and growing non – performing loans are amongst current challenges of most financial institutions and has accounted for the failure of many. Most often, problem loans have their roots in flagrant abuse of credit /loan policies and poor analytical skills of some lending officers. Thus, sanctioning a performing loan or credit depends on strict adherence to good loan policies and procedures, and the character of the lending professionals among others.

The training will teach fundamentals required in Credit Relationship Management, Managing Problem Loans & Post Investment and strategies that will minimize their occurrence, optimize recovery of bad loans and nurture redeemable ones to good standing.

This training is indispensable for institutions that want to sustain good loan administration practices or are having difficulties in managing their loan portfolio.

B. Learning Objectives

- Sharpen skills for efficient management of loans and credit facilities.
- Provide analytical bases for early identification of problem loans
- Learn new strategies for rehabilitating problem loans and credits
- Discuss legal issues in managing problem loans

By the end of the course, it is expected that participants should be able to:

- Carry out systematic assessment of loan facilities
- Propose options to their Management for handling problem accounts
- Properly manage collaterals relating to problem loans
- Recommend options for rehabilitating problem credits

C. Program Content

The training will revolve around the following sub-themes:

- ✓ Problem Loans in Financial Institutions – Causes, Symptoms and Effects.
- ✓ Fundamentals of Credit Analysis/Credit Cycle
- ✓ Loan Approval Process
- ✓ Loan Monitoring
- ✓ Identifying Early Warning Signs
- ✓ Rehabilitating Problem Loans and Recovery Strategies
- ✓ Financial Restructuring and Rehabilitation of Problem Accounts
- ✓ Investors Exit Strategies
- ✓ Corporate Governance Issues and Regulatory Requirements in Loan Administration
- ✓ Management of Collaterals
- ✓ Dealing with Unsecured Loans: What You Must Know

D. Who Should Attend

Loan Managers, Credit Analysts, Portfolio Managers, Loan Monitoring & Recovery Officials, Risks & Compliance Officials, Legal Officers.

E. Training Methodology and Faculty

The training methodology will be mainly Case Studies, Group Discussions, Role Play and Presentations. The program sessions will be led by a Team of experienced and highly knowledgeable professionals from IDC of South Africa involved in managing and rehabilitating problem accounts.

F. Programme Outline

DAY 1

09h00-09h30

- Introduction by IDC, SEDCO, SADC - DFRC
- Participants expectations

10h00-10h30

TEA BREAK

10h30-13h00

- Defining Credit Relationship Management, Managing Problem Loans & Post Investment
- Challenges of Problem loans & Implication
- Why projects Fail
- Early Warning signs
- Project cycle outline

13h00-14h00

LUNCH

14h00-16h00

- Case study Problem Loans
- Presentations
- Questions and answers for clarity
- Problem Analysis Approach
- Case Study 1 Okakarara

DAY 2

09h00-10h30

- Recap of Day one
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- Post Investment Monitoring & Credit Relationship Management
- Case study ; Post Investment
- Monitoring and Evaluation Defined
- Project Supervision-objectives, approaches etc
- Communication- Building Client-Consultant Relationship
- Case study 5 Credit Relationship Management
- Case study 3 Fresh Water Harvest

10h30-11h00

TEA BREAK

11h00-13h00

- Workout & Restructuring (“W&R”)
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13h00-14h00

LUNCH

14h00-16h00

- Key risks within Workout & Restructuring (“W&R”)
- Trends in Workouts, Turnarounds and loan rehabilitation
- Rehabilitation Process Map & Structure
- Steps in Rehabilitation
- Case Study 2 Welders Delight

DAY 3

09h00-10h30

- Recap of day two
- Loan workout strategies on huge exposures
- Loan workout strategies on small loans
- Hand out on rehabilitation as a structured approach
- Dealing with unsecured loans

10h30-11h00

TEA BREAK

11h00-13h00

- Case study on Liquidation
- Presentations

- Case Study 4 Trend Clothing Manufacturers

13h00-14h00 Lunch

- Issues in workouts

DAY 4

- 09h00-10h30**
- Turnaround Restructuring and recovery strategies
 - Maximising recovery
 - Loan recovery strategies
 - Loan recovery through the legal route

10h30-11h00 TEA BREAK

- 11h00-13h00**
- Sale of Assets Case study
 - Business Rescue Case study-

13h00-14h00 Lunch

- 14h00-16h00**
- Restructuring case study
 - Presentations

DAY 5

- 09h00-10h30**
- Recap on issues
 - Presentation on Major case

10h30-11h00 TEA BREAK

11h00-12h00

➤ Discussion

12h00- 13h00

➤ Post test

13h00-14h00

Lunch

14h00-16h00

- Post Test Results
- Summing up of the programme
- Closure