

# **DISTRESSED ASSETS RECOVERY PROGRAM (DARP)**

*OVERVIEW*



December 2024

# DARP IN A NUTSHELL

**DARP is a global platform that focuses on the acquisition and resolution of distressed assets across emerging markets, with significant developmental impact and attractive returns**



## DARP

Supports the creation and development of strong distressed assets markets in emerging economies.



## Strategy

Based on three pillars, aims to accelerate the development of distressed assets markets in emerging economies, leading to financial sector resilience and sustained economic growth: (i) enabling NPL secondary markets; (ii) investing and mobilizing third-party capital; and (iii) building servicing infrastructure required across markets.



## Impact

(i) Allows financial institutions to offload their NPLs and free up capital to resume lending; (ii) helps individuals and SMEs/corporates to normalize obligations, preserve assets and become creditworthy again; (iii) fosters best resolution practices, including integrity, corporate governance and environmental and social policies and procedures.



## Global Reach

Leading global distressed assets investor in emerging markets, including Latin America, Eastern Europe, Asia and Africa.



## Network

Extensive and unique network of partners worldwide, including reputable servicers, asset managers, banks and investors.



## Type of Investments

Establishment and mobilization of capital into investment facilities, for (a) NPL portfolios (retail and SMEs) and (b) single asset opportunities (special situations, special lending and SME/corporate turnarounds)

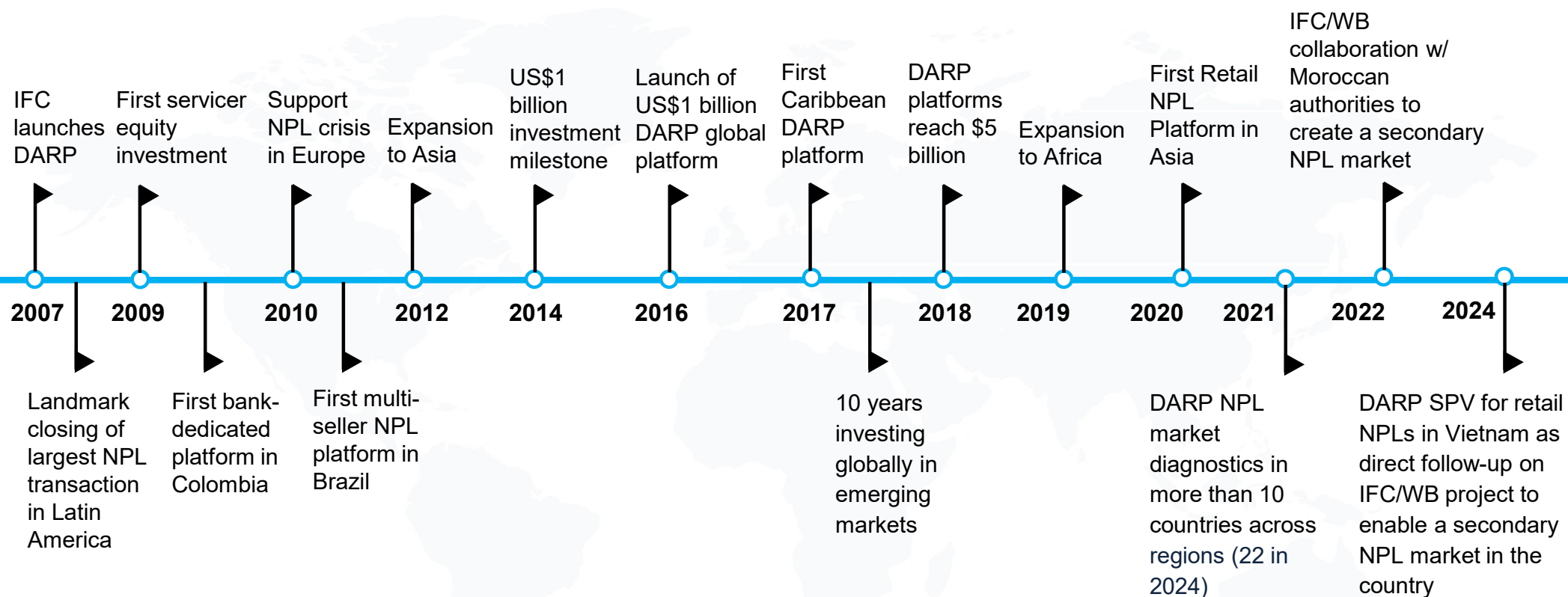


## Track Record

DARP has committed US\$9.2 billion globally, including mobilization of US\$6.0 billion, which has enabled banks to offload over US\$46 billion of NPLs, while helping over 21 million debtors resolve their obligations.

# KEY MILESTONES

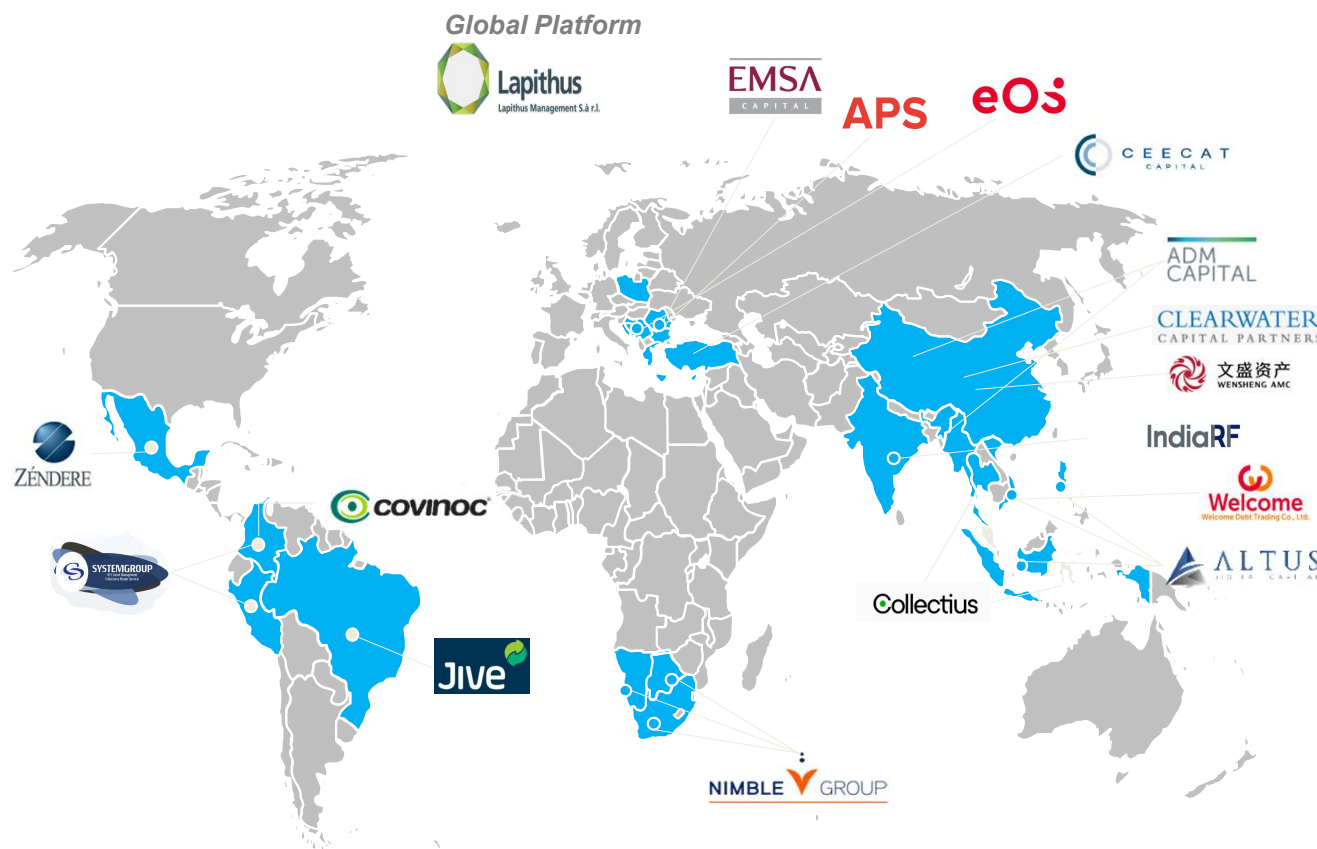
**DARP has evolved from its beginnings as a crisis response initiative to today's programmatic and strategic approach to creating strong distressed assets markets across emerging economies**



**\$9.2B** since inception, global platform,  
Nearly two decades running

# UNIQUE GLOBAL NETWORK

DARP's global network of partners provides local knowledge and expertise and ensures use of best resolution practices



## DARP Platforms Target Markets

**Latin America:** Reintegra (Colombia), Systemgroup (Colombia and Peru), Jive (Brazil), Zéndere (Mexico).

**Europe and Central Asia:** CEECAT Capital (regional), APS (Romania and Greece), EMSA (regional), EOS (Bosnia and Herzegovina, Bulgaria, Croatia, Romania, Poland and Serbia).

**Global:** Lapithus.

**Asia:** ADM Capital, Clearwater (regional), Wensheng (China), IndiaRF (India), Collectius (Indonesia, Malaysia, Philippines, Thailand and Vietnam), Altus (Indonesia, Philippines, Thailand, and Vietnam), Welcome (Vietnam).

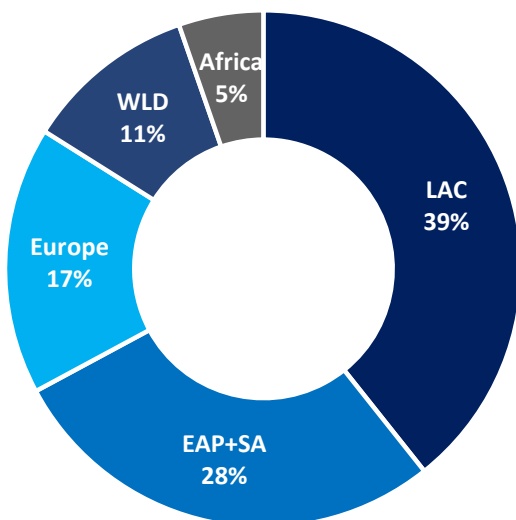
**Sub-Saharan Africa:** Nimble (regional).

# TRACK RECORD HIGHLIGHTS

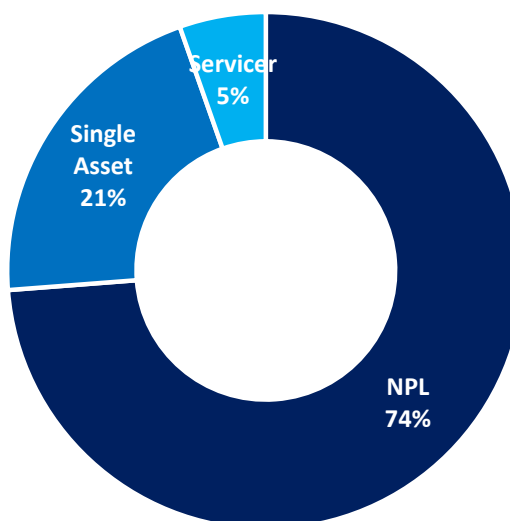
**DARP has committed US\$9.2 billion in distressed assets in emerging markets, with US\$3.2 billion from its own account and US\$6.0 billion mobilized from investors**

## IFC Commitments

By Region



By Type of Investment



## NPL Portfolio Highlights

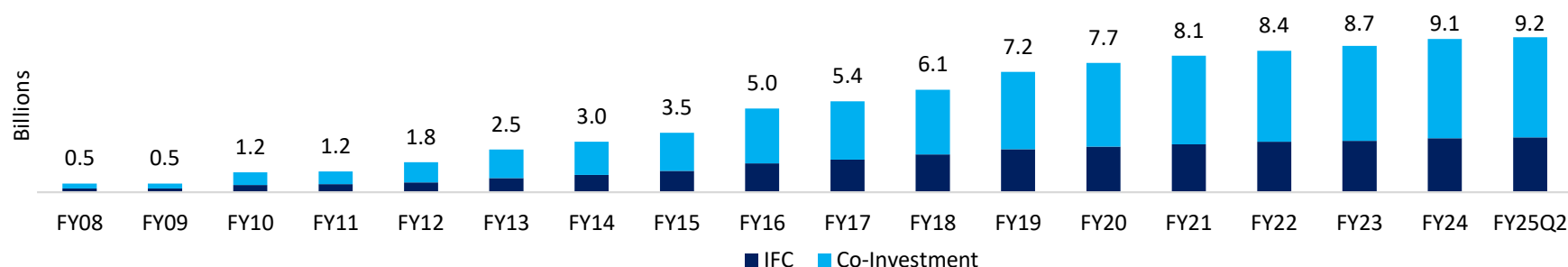
**+280 Portfolios Acquired**

**+US\$46 billion in UPB\***  
- of which +US\$7 billion from SMEs

**+36 million credits**

**+21 million debtors**

## DARP – Historical Cumulative Commitments by Fiscal Year \*\*




(\*) UPB: Unpaid Principal Balance, which refers to the amount due that has not yet been remitted to the lender

(\*\*) IFC's Fiscal Year begins on July 1<sup>st</sup> of the previous calendar year and runs through June 30<sup>th</sup> of the designated calendar year

# DEVELOPMENTAL METRICS

DARP is playing a key role in creating and developing distressed asset markets globally, delivering strong developmental impact metrics coupled with solid financial returns

 DARP Development Impact Indicators			
# Portfolios Acquired	UPB *	# Borrowers	Mobilized Capital
<b>+280</b>	<b>+US\$46 Billion</b>	<b>+21 Million</b>	<b>US\$6.0 Billion</b>
<ul style="list-style-type: none"><li>➤ Acquisitions of NPL portfolios across asset classes in Latin America, Eastern Europe, Asia and Africa</li></ul>	<ul style="list-style-type: none"><li>➤ NPLs offloaded from multiple lenders, increasing liquidity and origination of new loans</li><li>➤ Of which +US\$7 billion from SMEs</li></ul>	<ul style="list-style-type: none"><li>➤ Individuals and local businesses that are being helped to normalize their debt obligations</li></ul>	<ul style="list-style-type: none"><li>➤ Mobilized from third party investors, deepening secondary markets with improved liquidity</li></ul>

(\*) UPB: Unpaid Principal Balance, which refers to the amount due that has not yet been remitted to the lender