



*The picture depicts the rural charm of Vietnam, beyond the fast-flowing streets of the city life lies paddy fields, rice terraces and beautiful landscapes. The still above portrays a traditional Vietnamese farmer wearing his rice hat, accompanied by his cattle using a wireless digital handphone to communicate, mirroring the digital evolution and transformation permeating through the rural contours of the country. Image credit: Shutterstock*

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## Ushering digital strategies to improve Vietnam’s social sector and lives

THAO NGUYEN, HUY TRAN, SARAYU SRINIVASAN



*Image credit: Shutterstock*

“Never before has it been a better time to go digital”, said everyone from the start of the pandemic and we all saw a meteoric rise in digital uptake in our daily lives. Representatives of Vietnam Government have announced digital governments by 2025. Government’s reliance on digital tools during COVID brought many people to access and use their tools for information and welfare. One could say that this digital infrastructure created has increased trust on ICT tools to enhance people’s mobility, capacity and access to resources. Reluctance to go digital prior to 2020 as a result of fraud, illiteracy and need for privacy etc. has been replaced by risk for convenience and lack of choice during COVID -19.

Vietnam was one of the countries in the world to grow at 2.9 % in 2020 showing remarkable resilience to COVID-19. According to World Bank, the economy will grow in 2021 at the back of strong export-oriented manufacturing and recovery in domestic demand. With the total telecom subscription of 150% of the total population and 148.8 million mobile subscribers in 2020, Vietnam has come a long way during the pandemic. Covering over 93% of the adult population in 2020, Vietnam is one of the fastest growing smartphone markets.

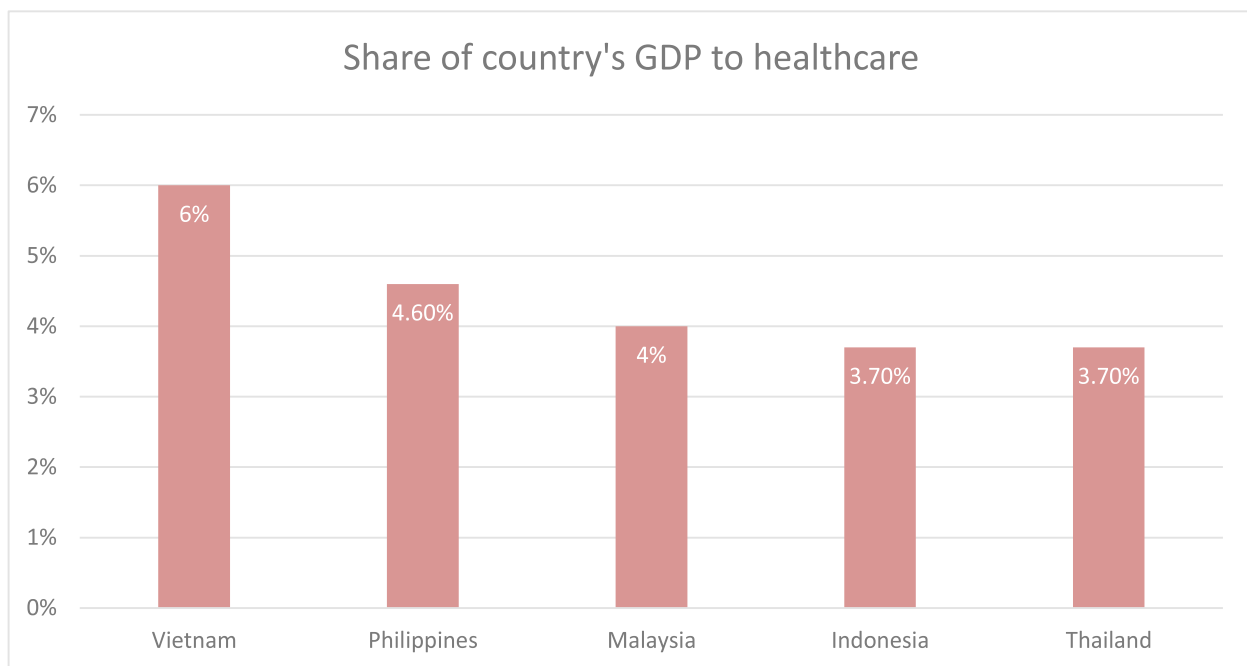
As we scope the digital economy, we see that there is core score which include the IT/ICT services, the digital economy and then a digitized economy. Internet penetration has doubled in 2020 since 2012 with over 68.17 million users and in 2020, 41% of all digital service consumers were new.

A research paper says that a very large majority of these new users will continue their behaviour online. Thanks for improvements in digital infrastructure. The quality of Vietnam’s digital infrastructure is also commendable. Over 90% of the population has access to 3G/4G connectivity.

We look at four important Vietnam’s social-sector segments and their growth through digitization. These sectors provide services that cover for the basic psychological needs of the people and in turn impact on standard-of-living of people.

### Health and Diagnostics

Vietnam [leads in healthcare](#) coverage as compared to its regional counterparts. This could only indicate that the country is largely health conscious and looks forward to quality in healthcare. Vietnamese’ health expenditure contributes to a large portion of the country’s GDP. Digital solutions to healthcare can reduce costs and resources per patient. The socialist government has promised that by 2025, 95% of its citizens will have digital medical records and the project pilot is ongoing in 24 provinces.



Vietnam embraced digital tech in healthcare through telemedicine, hospital information system, mHealth. There are [four digital health segments](#) in focus during the early stage of digital health development in Vietnam – Health Information Technology, Telemedicine, Consumer Health Electronics, and Healthcare Big Data and AI-based products and services.

Of the country’s working-age population, nearly half are under 40 years of age. This is favourable for the adoption of innovative science and technology. Government regularly posted information on policy, control measures and chronology of daily COVID cases numbers on its website. Essentially this pushed [digital uptake and reliance](#) than ever before. The govt. has also introduced trackers and assistance in diagnosis and treatment.

## Higher Education

In the wake of the pandemic in 2020, telecom operators - Viettel, VNPT, Vietnamobile and Mobifone agreed to provide free mobile data for students, teachers and parents if they were using e-learning methods. Vietnam government recognises that access to higher education and vocational training is imperative for its economic growth. The country currently absorbs only [37% of the under-25 years](#) population into its education system. Vietnam's e-learning prospects are expected to grow at a CAGR of 18.3% during the forecast period 2019-23.

The government has set aside US \$415 million from state budget in the ICT sector. The govt. is also [looking for firms to support](#) and sponsor education technology infrastructure, internet connection and software. The government has itself shared thousands for e-lectures and videos including research works. The government also focuses on internationalisation through scholarship programmes. Although English education is not strong portfolio in Vietnam education system, the mobile degree-seeking Vietnamese students are currently opting for English-speaking Western countries for their higher education.

## Formal Banking

There are more than 90% of the internet users within working age 16-64 years, however over 70% of people within that age bracket have no bank account. [Cash still seems to be primary](#) means of transaction. As of 2019, there were only 3.98 commercial bank branches and 26 ATMs per lakh adults. Financial literacy is low in Vietnam based on an Asian Development Bank report.

While all these are barriers, the online [product or service purchase penetration](#) in Vietnam has doubled in four years from 37% to 75% in 2020. In This could indicate that there is increased trust on online transaction and this behaviour has driven access to these some digital financial services. In 2019 US \$8.52 billion was the online transaction value collectively by over 50 million people. Millennials are the biggest target consumers for this market segment.

Today, a household could have a single bank account and the rest of the members would transact with digital wallets, literally with no physical wallet but intra-distribution of funds. Could this practice be the reason for low banking uptake.

## Skilling and Entrepreneurship

Vietnam needs to upskill its labour force, which is rapidly shifting with agricultural workers transitioning into industry and services every year. The number of enrolments of entrepreneurs on online commerce soared high even as they faced competition. The overall visits to shopping apps in Vietnam was 12.7 billion and was growing rapidly at 43% quarter-on-quarter.

Digital entrepreneurship was also on a rise with the National Public Services Portal receiving over 150% increase in traffic between January to march.

Vietnam lacks the advanced digital skills as the country is in the nascent stage of adoption of ICT software and systems. Being a regional leader in math and science education in primary and secondary schooling, Vietnam might have an edge over other countries to improve its citizen's ICT skills.

From being one of the poorest economies in the world post-war in 1975, Vietnam with its socialist policies in economic and political reforms has come a long way in becoming one of the fastest growing markets competing with the likes of China. This only shows to say that Vietnam governance has the foresight to overcome economic shocks such as the recent COVID-19-led impacts on the economy. Digitization of has been one of the frontrunners today to enhance the social indicators. The citizens are also warming up to digital solutions and incorporating these solutions to their daily lives. A fully-digitized future for Vietnam is not very difficult to imagine in the next decade.

**ABP Solutions****Fraud mitigation strategies for a secure digitized future**

SUDHIR KAMATH - WIBMO

*Image credit: Wibmo*

Over the last decade or so, buyer behavior has shifted dramatically. A huge majority of consumers increasingly prefer to shop online rather than at traditional brick-and-mortar establishments. The pandemic has only accelerated the online transactions and all the commerce companies across Southeast Asia have benefited once the new normal was established.

Consumers like to seamlessly move from one online activity to the next, with payments thrown in for good measure. As they do so from a variety of devices, convenience and speed is important and security is paramount. When it comes to online shopping, consumers expect an uninterrupted and frictionless experience. Every transaction, from securing the best online deals to securing the last seat, must go off without a hitch. Even Fintechs have now started issuing cards and come up with many interesting use cases promising convenience to end customers.

On the other hand, as fraudsters become more sophisticated, it becomes more difficult for issuers and merchants to secure payment transactions. Service providers must strike a balance between meeting customer expectations and preventing fraud while adhering to regulatory and compliance requirements.

Payment service vulnerabilities have grown as the migration to digital and mobile customer platforms has accelerated.

New solutions have also resulted in faster payment transfers, giving banks and processors less time to identify, counteract, and reclaim the underlying cash when necessary.

Finally, fraud has become more sophisticated, thanks to growing collaboration among bad actors, which includes the sharing of stolen data, new techniques, and knowledge on the dark web.

### Some of the many measures adopted by the payment industry to fights frauds

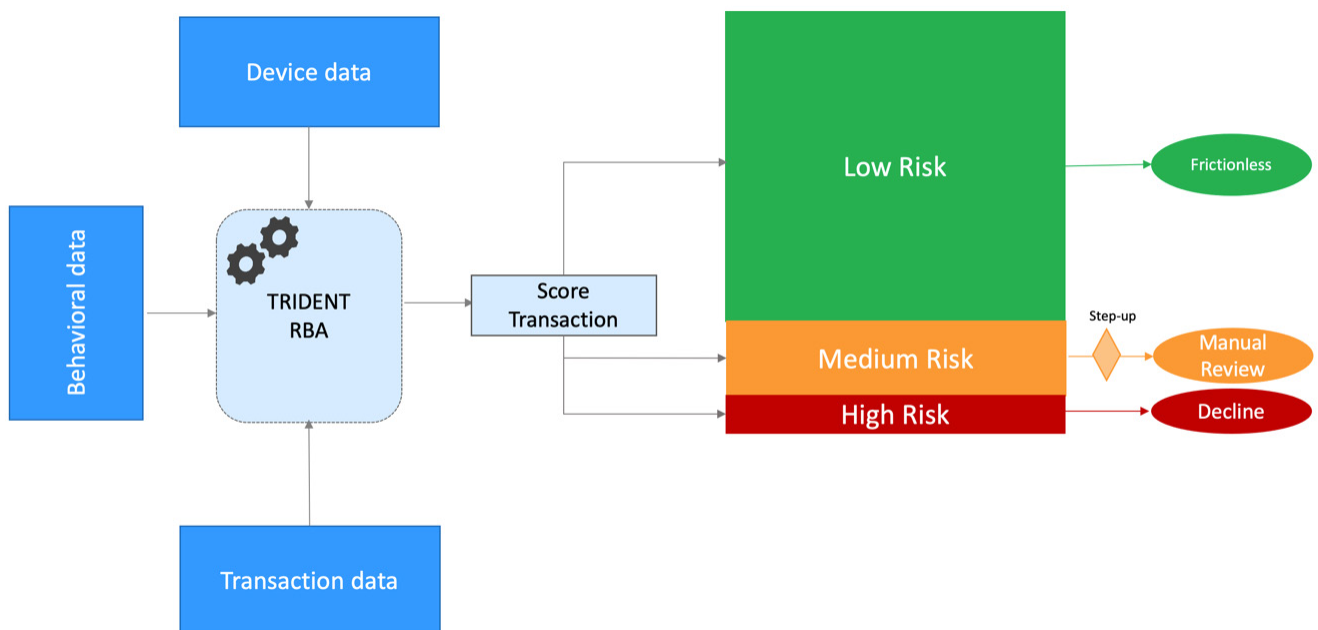
To fight online payment frauds, banks and payment services providers are opting for complete identity authentication services solutions to bridge the gap and meet the present and future market needs for seamless authentication.

EMV® 3DS 2.0 has replaced the previous EMV® 3DS 1.0 protocol. This addresses the growing migration of consumers to mobile platforms and the requirement for smooth user journeys and at the same time more details of the payment transactions are captured and analyzed.

Risk Based Authentication (RBA) is being adopted wherein every payment transaction is given a score after being scrutinized through an array of rules and sophisticated machine learning algorithms. New rules can be configured by the issuers instantly.

The payments industry is also implementing solutions from organizations that specializes in anti-money laundering as a necessity if one needs to secure future compliance at a reasonable cost. Such methods would help to lower the number of false positives while also reducing the number of suspicious activity cases reported.

The central Bank in India has mandated Card on File Tokenization from January next year for all issuers in India and other central banks will soon follow if not already mandated.



## **Wibmo offers an Authentication Suite that strikes a balance between security and consumer convenience**

Based on EMV® 3DS 2.0 protocol ACCOSA IVS provides the frictionless experience users expect when combined with its Risk Based Authentication (RBA) engine. It is designed to meet 2FA and SCA regulatory standards and gives service providers the flexibility to control their own risk profile. It is equipped with an advanced risk engine that aids in the prevention of fraud and provides optimum security with the least amount of hassle to customers.

Wibmo's ACCOSA IVS calculates risk score of every transaction using its risk and fraud prevention engine, TRIDENT RBA. Service providers can determine path of the transaction based on their risk appetite -- to accept the transaction without challenging the cardholder, send it for additional authentication, or to reject it. The risk score is derived from hundreds of data points across channels and devices that enables service providers to arrest fraud in early stages. The combination of strong risk assessment and flexible decision making capabilities enables seamless authentication in the fast-paced world of digital commerce.

We at Wibmo work with more than 150 issuers across the globe. The satisfaction to the end customer when they transact for themselves, or their dear ones is something everyone in Wibmo thrives to achieve.



## STEM education in ASEAN: For informed and improved lives

SARAYU SRINIVASAN



Image credit: Shutterstock

Southeast Asian economies have taken to Industry 4.0 policies to drive digitization but are their aspirations sustainable? That is, whether do ASEAN nations want to aspire for digitalization of process and still maintain status quo on other policies and/or reform and evolve policies for a technically equipped future. The aspiration for a digital first might be there but how are the Southeast Asian economies prepping their labour force to not go redundant?

Science Technology Engineering and Mathematics (STEM) education is among other strategies adopted by many growing economies to support their digital journey. However, global trends may show among the popular first steps to digitization are through uptake of products such as financial apps and e-commerce. If one had to name the three arms of digitization, then they would be ICT tools and services, business and society.

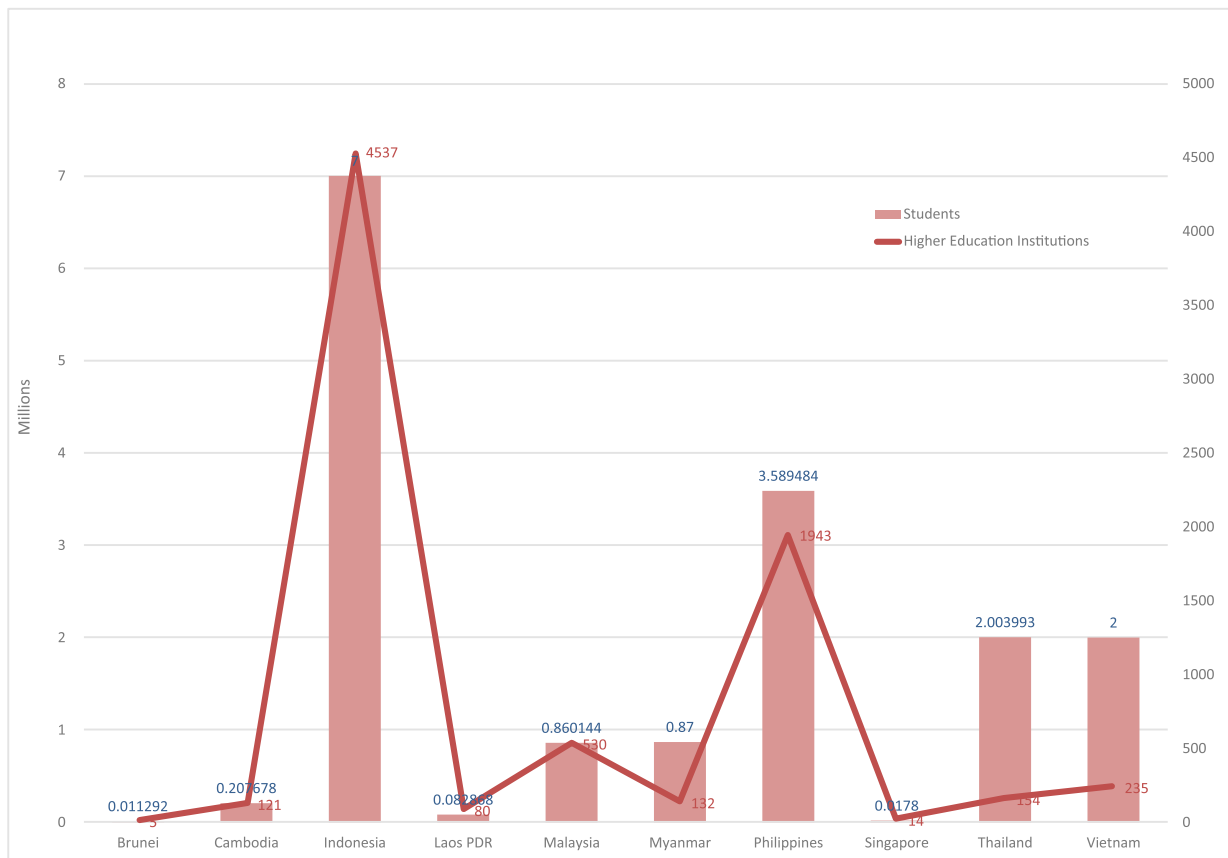
COVID-19 has accelerated the uptake of digital solutions. Rampant digital transformation has led companies to find faster and cost-efficient solutions with or without physical presence of human capital. Market strategist envision a 'new normal' where digital strategies will be most spoken about. Many companies are thought to be using digital technologies hoping to recover faster from the pandemic and be more resilient to such shocks in future.

With a population of over 630 million, Southeast Asia demands a big share of global trade and investments in the digital sector. The mobile-first generation is on a rise in these nations and it is mostly as consumers that people interact with digital tools.

### STEM integration in education

Home to some 7,000 Higher Education Institutions (HEIs) with around 12 million students, Southeast Asia is one of the important and fast-growing regions for internationalization of education in the world.

Compared to total student population in ASEAN, Indonesia, Philippines, Thailand and Vietnam have a higher number of student population with more than 7 million, 3.5 million, 2 million and 2 million students respectively every year. While Indonesia has a little more than 4500 higher education institutions, Vietnam with a third of the student population that of Indonesia, has only 235 higher education institutions. Philippines has close to 2000 and Thailand has 154 institutions.



It is also important to note nearly [20%](#) of GDP gets spent on education in Cambodia, Indonesia, Malaysia, Thailand, Singapore and Vietnam. Even as education expenditure is high, the countries [are not getting enough](#) bang for the buck that goes into education.

A report by Southeast Asian Digital STEM Platform talks about how teacher training is equally important to drive the interest from an integrative approach. This integrative approach says that there is need for teachers to grasp the concept holistically and put it to practice. This comes with research and experiments.

Country	Approach to STEM education
<b>Malaysia</b>	The govt. has phased plan to implement STEM education until 2025. Being the frontrunner in STEM education, the curriculum includes analysis, critical thinking, hypothesis building and decision making and project-based learning and research through adaptive learning. Media plays a big role in educating both students and the public about the career opportunities in STEM.
<b>Singapore</b>	STEM as a discipline was brought in to deliver the human capital engine for economic growth. The govt. discussed STEM strategies and policies at all level of education.
<b>Cambodia</b>	With lack of qualified teachers and low motivation for STEM students and fewer STEM institutions, the country has taken to MINT education approach. The program looks at conducive environment for imparting skills in STEM, improving research and capacity building for teachers and researchers.
<b>Philippines</b>	The govt. is taking an integrative STEM educational approach and is encouraging student interest in STEM. The ministry organised events at school, technical and regional levels. The country is also conscious of attracting more women for STEM.
<b>Thailand</b>	A specially designed STEM education keeping in mind it's importance for country's development through integration of STEM. Thailand also recognises the gender imbalance in STEM education. The policy pushes for development of STEM curriculum and mobilization of STEM education in Thai schools.
<b>Vietnam</b>	Nascent stages of STEM education. Approach to STEM has been through MINT education where the students learn by making a selective adoption of ICT tools, devices and apps. Vietnam is takes lessons from Malaysia's STEM education policies and approach.
<b>Indonesia</b>	Promotion of STEM is priority in Indonesia. Increasing number of graduates from integrative STEM.
<b>Myanmar</b>	Outdated curriculum and private school education is expensive. STEM not a priority in any curriculum.

\*MINT: Meaningful International Network Training

## ASEAN approaches to tech education

Technical and Vocational Education and Training (TVET) is one of the [seven priority areas](#) for educational development in Southeast Asia from 2015 to 2035. Acting as a group, the ASEAN countries have come together to form The Southeast Asia Ministers of Education Organisation has about 11 member states and have a regional centre for higher education and development (RHED) in Bangkok, Thailand. Their aim is to drive this initiative across ASEAN nation and to create a pool of technical expertise.

In one of the SEA-TVET consortium meetings, there were few strategies that were recommended for Southeast Asian countries to promote TVET student and staff exchange programs- this would include cross-country industrial attachment and internship programmes. These would be implemented by SEAMEO in order to bring in internalisation and harmonisation to improve TVET competency; Lecture/ student exchange, joint research programmes and industrial linkages and; create a networking platform among TVET stakeholders in Southeast Asia.

STEM education endeavours to improve the human capital and capabilities to avoid disruptions like unemployment. Integration of STEM education in school and university curriculum is the need of the hour for these countries as digitization may disrupt jobs that are currently the most sought-after by the people. Training in STEM also helps the people make informed choices in usage of newer technologies which often are prone to frauds and other risks. Lastly, scientific education can help in indigenous innovations that are conscious of local preferences which many early adopters of tech are finding difficult to achieve.

### Need for a larger “Idea Generation”

The adoption of Industry 4.0 (4IR) can increase efficiency and productivity by enabling real-time tracking of supply chains for production and inventory management of raw materials and finished goods. Artificial intelligence and machine learning are leading technologies that provide insights into consumer behaviour to customize production. Tedious and menial labour that are often low paid can be overcome by advancement in robotics. Augmented reality and virtual reality can be used to train employees in new tasks.

While new technologies come with [affordances](#), enslavement by technological solutions and lack of innovation might lead to higher global inequality levels. A good example of STEM education would be hackathons. Hackathons are a growing phenomenon in Vietnam, Philippines and Indonesia, ofcourse not to forget the more mature markets of ASEAN - Malaysia and Singapore. Hackathons are very often seen a starting point of the “Idea Generation” both literally and metaphorically. They are thought to be good events where [natural disasters](#) can be studied and mitigation strategies can be thought of.

It is important for the citizen not just to lap-up these technologies in their daily life but also have the foresight to build or help the technologies evolve in line with their cultural nuances. This is possible with STEM education, which prepares the country where people are able to make informed decisions in uptake of digital technologies offered from overseas. Being ignorant of this dynamicity of digital work will perhaps land the people in issues as they will be obligated to use the digital solution provided to them and be controlled by these solutions.

### **Creating jobs of new nature**

Popular opinion on digital transition worldwide is that it might contribute to unemployment. But the fact of the matter is that it perhaps changes the nature of jobs. These jobs may require upgraded skill levels which are often expensive to attain and not a common field of choice among the citizens. But when there is a lack of STEM skills in the people, technology companies entering Southeast Asia may have to import non-native skilled workforce to bridge the skill gaps.

Digital technologies permanently change the organizational structure contributing to phenomenon like hybrid jobs and diversification in jobs. The labour force which lacks the high-level and dynamic technological and interpersonal skills will be vulnerable to redundancy. Developing economies which are welcoming digitization even if to improve their social indicators need targeted and strategic skills and STEM education to respond to fast-changing technological world.

## EVs' future in ASEAN looks bright, but where are they currently?



Image credit: Joko Widodo/Twitter

In 2017, a news [report](#) got really popular. The study calculated that Indonesians spent 22 days of a year stuck in traffic jams. Jakarta was, at the time, considered one of the worst cities in the world when it came to gridlocks. The city dropped out of the gridlock list because of restrictions due to the pandemic in 2020. But as restrictions ease, congestion is rising again.

In comparison, the people of New York were [stuck](#) behind the wheel for over two days (2021) and Bangaloreans [spent](#) just over 10 days gridlocked (2019).

Jakarta could experience further pain. According to [reports](#), there are 87 cars per 1,000 people in that country. To get a full picture, let's [zoom out](#) to the region. In Malaysia, there are 443 cars per 1000 people, Vietnam has 23 for every 1,000, and the Philippines records that number at 38. The region is at a unique point in its history. The GDP per capita is rising, and people want to buy cars. But vehicles cause gridlocks, which cause damage to the environment. And as these cars inch forward, they burn valuable oil.

The countries have tried several solutions. The likes of Manila and Jakarta, for example, tried an odd-even [experiment](#). This experiment rations the number of vehicles that could be on the street. But it didn't help. The travel times increased as alternate modes of transportation were not available or reliable. So what did people do? They bought more cars. Currently, the people of ASEAN use cycles, tuk tuks, cars, buses, trains, and ferries to get from one place to another within a city. Most of these run on internal combustion engines and belch greenhouse gases into the atmosphere.

The only way to solve this problem is to be greener with public transport and private vehicles.

One way of going green is to swap out internal combustion engines with electric and hybrids. Countries have [encouraged](#) large auto manufacturers to set up bases in member nations. The governments are enticing customers by offsetting the slightly higher prices of electric vehicles (EVs). But a lot more is needed.

For EVs to truly take off, countries across the globe will need to solve two major challenges. Make these cars affordable and make infrastructure available.

### **How ASEAN solves the car problem**

Thailand has positioned itself as an EV hub. The country's National Electric Vehicle Policy Committee has set a [target](#) to have EVs account for 50% of Thailand's auto manufacturing by 2030.

As early as 2019, Japanese carmaker Toyota had [said](#) that Thailand will be its production base. The company is also investing US \$300,000 for the EV scheme in the country. Recently, Thai energy company PTT [signed](#) a US \$2 billion deal with Foxconn to make electric vehicles. Under the agreement, 50,000 vehicles will be manufactured initially, with an upper limit of 150,000 annually.

Apart from Toyota, China's Great Wall Motors [has](#) also set lofty targets for the Thai market. It plans to launch nine EV models in three years. In November 2020, the Thailand Board of Investment (BOI) [approved](#) the rollout of a comprehensive set of incentives. This covered all major aspects of the EV supply chain, with a focus on battery electric vehicles (BEVs) and local production of critical parts.

The joint venture (JV) between Florida's e-mobility firm Evlomo Incorporated and Rojana Industrial Park will build an 8GWh lithium battery plant in Thailand. The companies will invest up to \$1.06 billion through a new JV company. Rojana is a joint venture between Japan's Nippon Steel and Sumikin Bussan Corporation, and Thailand's Vinichbutr's Group. With the billion dollar Lithium-Ion factory also [underway](#), Thailand is quickly rising up the EV ranks.

Indonesia isn't too far behind. Hyundai Motor and LG Energy Solution have [begun](#) the construction of an US \$1.1 billion EV battery plant in the country. It will have a peak capacity to power 150,000 BEVs every year.

### **Philippines and Vietnam play catch up**

A [research](#) paper by Eco Business said that the Philippines has pledged to cut greenhouse gas emissions by 75% from 2020 to 2030. Simultaneously, [policy](#) decisions have also been taken to build EV charging infrastructure in the country. In addition, Swiss firm ABB is [offering](#) technology solutions to the country for this purpose.

As the country is going cleaner and greener, there is interest from companies in the United States as well. A [report](#) from the US commerce department body said that a majority of EVs in the country are tricycles taking passengers between short distances.

However, the market potential is huge. It is estimated that the revenue from EVs will touch US \$33.6 million by 2024, a growth of 12% on an annual basis.

While Vietnam is not a big name in the EV space yet, the government is taking the [incentive route](#) to make the vehicles popular. It also [wants](#) to reduce CO2 emissions by 8% by 2030. Here, EV usage will play a crucial role.

### **Enter ride hailing companies**

Mobility-as-a-service or MaaS is the buzzword in Southeast Asia. Car ownership is being replaced by ride sharing with players like Gojek and Grab dominating the market. AirAsia Ride [is](#) a new entrant to the MaaS market. And MaaS firms want to turn electric too.

As early as 2018, Grab had made plans to go green. This year it [tied up](#) with Hyundai Motors to boost EV adoption in the region. Taking it a step forward, Grab is also [offering](#) an option to choose between electric and hybrid. Riders can also pay extra to contribute to eco-friendly projects.

Similarly, ride-sharing app Gojek [wants](#) to shift to EVs by 2030 completely. It began testing its EVs earlier this year. This will all make vehicles available.

### **How ASEAN could solve the infrastructure problem**

One of the largest problems in adoption of EVs is infrastructure. Because there isn't enough infrastructure, people tend not to buy these cars. And because not enough people buy them, the infrastructure doesn't get built.

A 2019 [report](#) by RMI said that costs for charging infrastructure components ranged from US \$2,500 up to US \$7,210 for a Level 2 commercial charger and from US \$20,000 up to US \$35,800 for a 50-kilowatt DC fast charger.

But as volumes go up, costs come down. According to the report, the average installation cost for a commercial Level 2 charge port is US \$4,173 for a single charger. Add a second charger at the same site and the per-unit cost falls to US \$3,367. Install six or more charge ports and the per-unit cost drops to US \$2,638.

For countries such as Indonesia, these costs aren't prohibitive. Indonesia recorded US \$3,869 GDP



per capita in 2020, despite the lockdown. The ability to spend in the country is higher.

Countries around the world approach the infrastructure problem in different ways.

In India, the government is relying on private companies to build out infrastructure. Ola, India's equivalent of Didi Chuxing, has promised to build 100,000 charging stations across 400 cities and towns to support EVs. Larger companies, such as Tata Motors, have also [set up](#) charging stations with their dealership. The company has set up 500 charging stations across 100 cities in India. Meanwhile, Uber is planning to [introduce](#) 3,000 EVs into its fleet in the country. But despite all of this, India is still cold towards EVs. And one of the primary reasons is money. India's [GDP per capita](#) is ~ US \$1,900. The ability to buy even the cheapest options, such as Ola's scooter, is low. The Indian government has [spent](#) just about US \$118 million on charging infrastructure so far.

### The big shift in Western markets

But things are different in the West. Europe [holds](#) a 26% market share in EVs. A *McKinsey* report said that Europe sold 590,000 EVs in 2019. This increased by 25% in the first quarter of 2020.

In the United States, EV sales dropped by 12% in 2019 to 320,000 units. It declined by another 33% in the first quarter of 2020. But the launch of Tesla Model 3 is helping sales pick up. US President Joe Biden's \$2 trillion [infrastructure plan](#) has a large part dedicated to EVs. The US plans to spend close to US \$50 billion on charging infrastructure and plans to build 500,000 charging stations.

The thrust in these two regions is to have a connected EV infrastructure. A [report](#) by Berg Insight said that Europe and North America will increase the number of EV chargers by 38% between 2020 and 2025. This translates to 7.9 million charging points.

Today, it is not just the automotive companies eyeing the charging space. Energy companies such as Shell and BP have also entered this segment. Charging infrastructure company NewMotion is owned by Shell, while BP owns the EV charging firm BP Pulse.

An ADABI [working paper](#) said that the ideal situation for ASEAN will be to have a 10% penetration of EVs. This, the paper said, will help conserve fossil fuels.

How soon the fossil fuel enthusiasts make the switch to electric vehicles and how efficient the charging equipment is will decide the success rate of ASEAN's EV push.

## News Snippets – ASEAN News that matters

September 2021

### Singapore

#### **Singapore based online gaming and e-commerce firm Sea will raise over US \$6 billion**

Singapore's gaming, digital finance and E-commerce company Sea Ltd is looking to raise US \$6.3 billion in Southeast Asia's biggest fundraising with the pursuit of business expansion and other general potential strategic investments and acquisitions. The fundraising deal comes as Sea expands outside Southeast Asia, including into Latin America and European markets. Sea has presence in Latin American markets such as Brazil, Chile, Columbia and Mexico. The company is also eyeing European expansion with foray into Poland.

[Read More](#)

#### **Shopee pours funds into Central and South America's e-commerce market**

Shopee, a company owned by Singapore headquartered Sea, seeks to expand in Latin America's US \$105 billion online shopping market. The company is massively strategizing on simple phenomena i.e. marketing, for achieving these dramatic growth ambitions. Shopee is the most downloaded ecommerce app in Brazil 2021, with more than double the number for Mercado Libre.

[Read More](#)

#### **Singapore's Agri – Food Tech start up receives US \$2.35 million**

DiMuto, a Singapore-based global agri-food tech firm saw participation from Great Giant Pineapple, Seeds Capital, Ocean Crest Investment, Patrick Vizzone, and Asia Capital Pioneers Group, Latin Leap and SGInnovate in its series A funding round and secures US \$2.35 million. DiMuto will use this fresh infusion of funding to scale up its product development and meet the increasing demand for agri-food trade visibility along with trade financing.

[Read More](#)

### Malaysia

#### **Petronas, Eneos partner for hydrogen supply chain**

Malaysia's national petroleum company Petroliam Nasional Berhad (Petronas), and Japan's Eneos Corporation have entered into an MoU to mutually study developing clean hydrogen supply chain between Malaysia and Japan, and will also work on other hydrogen opportunities. The companies have now applied for the Japanese Government's Green Innovation Fund to support the project.

[Read More](#)

## **Petronas signs agreement with China's Shenergy Group**

Malaysia's state-owned Petronas will deliver three carbon-neutral LNG cargoes to China's state-controlled Shenergy Group from October to March 2022, The deal marks Petronas' first delivery of carbon neutral LNG to China. The agreement was inked on 30th September, 2021 for delivering three carbon neutral liquefied natural gas (LNG) cargoes.

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## **Thailand**

### **Thai conglomerate consolidates its retail stores**

Charoen Pokphand Group, consolidates its retail assets by selling the company's majority stake in the Lotus retail chain to Siam Makro, also controlled by CP Group. Thailand's largest cash-and-carry store operator – Siam Makro, will buy 76% of Lotus from CP Retail Holding for US \$6.7 billion as part of a fully shared agreement. The acquisition supports the company's long-term strategy to become a leading retail and wholesale business in Thailand and Malaysia, while allowing the group to compete with retailers in the region.

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### **Thai logistics players launch cold chain delivery business**

The Pandemic has hard-pressed the formation of an alliance between longtime competitors Thai Post, the JWD Group and the Flash Express to develop the nation's cold chain logistics market. The venture, named Fuze Post created by drawing on the strengths of these three competitors is set to launch on the first of September 2021.

[Read More](#)

### **Foxconn - PTT JV to expedite electric vehicles development in Thailand**

Thailand leads the Southeast Asian EV market and has been aggressive towards its growth plans. Thailand's state-run energy group PTT PCL announced a partnership Taiwan's Foxconn The joint venture will bring together Foxconn expertise in EV manufacturing, software and hardware technology and PTT's expertise in batteries and charging infrastructure, its network of partners and existing presence in the Thailand EV business.

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## Vietnam

### Insmart receives an investment from Japan's largest Trading house

Insmart, largest player in the Vietnamese managed care industry and healthcare intermediary of Vietnam receives an investment from Japanese trading house - Sumitomo Corp. of US \$10 million, targeting Southeast Asia's growing managed-care industry. Insmart app offers multifarious solutions to its consumers, right from online prescriptions to access to medical records and medication information. Sumitomo is poised to enlarge the Insmart's services medication counseling and drug shipping.

[Read More](#)

### Alibaba invests in Vietnam's Homefarm, food chain targets 1000 outlets by 2025

Alibaba's eWTP Technology and Innovation Fund has made an undisclosed investment worth seven figures in Vietnam-based food chain, Homefarm. The proceeds from this investment will be used to expand Homefarm's retail outlet chain with an aim to reach 1000 retail outlets by 2025. Homefarm will continue to distribute its product on ecommerce platforms to attract more customers.

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### KiotViet receives a funding of US \$45 Million from KKR

Vietnam's KiotViet, which provides software solutions its point-of-sale, inventory management, & employee management tools, to over 110,000 small & medium enterprises has raised US\$ 45 million in its latest round of funding from Private equity company named KKR with participation from existing investor Jungle Ventures on September 2nd 2021. KiotViet has additionally expanded to offer a B2B procurement marketplace & integrated logistics services for its merchants, & has plans to leverage its platform to provide financial services solutions such as payments & lending to customers.

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## Indonesia

### PT Bank Nationalnobu Tbk (NOBU) develops a digital ecosystem

On 28th September 2021, PT Bank Nationalnobu Tbk (NOBU) disclosed its plans to develop its digital business as well as digital transformation in order to attract potential investor. PT Bank Nationalnobu Tbk/ Nobu Bank is an Indonesia-based company primarily engaged products in banking sector. Its products include savings accounts, current accounts and fixed deposits. It also offers various loans, such as home loan, car loan investment loan and working capital loan. The new investors' profile will determine how competitive Nobu Bank will be in the digital bank landscape.

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## Smartfren subsidiary acquires PT Indo Pratama Teleglobal

PT Mora Telematika Indonesia alias Moratelindo, which is a subsidiary of the Sinar Mas group, will take part in corporate action. Moratelindo is advancing towards acquiring a 65 percent stake in PT Indo Pratama Teleglobal for IDR 18.21 billion / US \$1.3 million. This corporate action aims to provide benefits to the company and for the best interests of the company. This acquisition was marked by the signing of the deed of sale of shares number 72 on 24 September 2021.

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## Crayon – A global cloud computing leader enters Indonesia

A Norwegian company and a market leader in the global cloud computing business, Crayon expands to Indonesia. As a strategy to expand in the Asia Pacific in Indonesia, Crayon will help digitize small, medium and large-scale companies. Since its inception in 2002, Crayon has expanded its offices in Singapore, Malaysia, the Philippines, Sri Lanka, and Australia and has been expanding to 35 countries and more. The International Data Corporation (IDC) research revealed that the cloud computing market in Indonesia will grow an average of 31 percent per year to US \$1.2 billion in 2024.

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## Softbank and MDI Ventures funds OY!Indonesia

SoftBank Ventures Asia, the early-stage venture capital arm of the SoftBank Group, announced its participation on 23rd September 2021 in Series A fundraising round of OY! Indonesia, a financial technology payments company in Indonesia. The US \$30 million funding round was led by SoftBank Ventures Asia (SBVA), alongside other investors including MDI, Pavilion Capital, AC Venture, CCV, Wavemaker, PT SAT, Saison Capital, Orion Advisors (DST Founders).

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## Indonesia's social trading firm raises US \$30 M in series B.

Evermos - an Indonesian social trading company that allows people to earn extra income by opening online stores without spending capital and helping small brands grow into household names has raised US \$30 million in Series B, led by UOB Venture Management's and other participants including the International Finance Corporation, MDI Ventures, Telkomsel Mitra Innovation (TMI), and Future Shape, along with return investors Jungle Ventures and Shunwei Capital. The funding will be used for recruitment, boosting the Evermos recommendations engine and other AI-based technologies, and entering new regions in Indonesia.

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## Philippines

### Union Bank of the Philippines leverages digital platform and supports MSMEs

Union Bank is committed to helping the Philippine MSMEs by leveraging digital platforms, data analytics and other technologies to provide entrepreneurial support with easier access to capital for supporting their growth aspirations. As a part of its digital transformation strategy UnionBank-GlobalLinker has launched a leading-edge platform that enables MSMEs to connect with potential suppliers and customers, provide opportunities to learn from other entrepreneurs through the various webinars, and provide business solutions.

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### Coca-Cola's bottling arm optimizes its network distribution

Coca-Cola Beverages Philippines, Inc The bottling arm of Coca-Cola in the country optimizes its network distribution and achieve supply chain excellence amid the pandemic and the challenges associated with it. The biggest testament of Network Optimization initiative is Coca-Cola's Mega Manila Hub, established in partnership with Container Bridge Philippines, Inc. and Manila North Harbor Point, Inc. to synergize shipping operations and improve cost savings.

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### Lalamove courier turns into a magnificent 3PL company

Local courier Lalamove Philippines in order to support the operations of cloud kitchen has grown into a magnificent 3rd Party Logistics company that includes freight services, enterprise logistics, moving, and vehicle rental. Lalamove in the Philippines has thousands of drivers to match almost a million active users and thus far, Lalamove is the only logistics company that provides the most varied vehicle options from motorcycles to long distance four wheelers.

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### Philippine accelerates economic recovery through E-commerce and digitization

The consumer market in Philippines is adopting e-commerce and e-payment faster than ever, with digital transformation happening on both ends of the spectrum buyers and sellers. The market potential for e-commerce, especially mobile e-commerce, is very optimistic. As per the reported by the Department of Trade and Industry, there is an increase in the registration of online businesses and thereby depicting lustrous prospects in digital economy.

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## Cambodia

### **ADB Inks US \$82.5 million with Govt to Upgrade Road Infrastructure in Cambodia**

In order to boost economic development along the Greater Mekong Sub region (GMS) Southern Economic Corridor. The Asian Development Bank (ADB) inks USD \$82 million loan to upgrade loan infrastructure about 48 kilometers of national and provincial roads as well as boost economic development along the Greater Mekong Subregion (GMS) Southern Economic Corridor.

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### **Cambodia and Australia ink an agro-food MoU**

Cambodia and Australia commit to prioritize approx. US \$10 billion in investment projects in the agro-food sector to contribute to food security, poverty reduction through job creation, and environmental sustainability. A MoU on the arrangement of financing to support the operation of agro-food investment has been signed by the Council for the Development of Cambodia, the Ministry of Agriculture, Forestry and Fisheries and the Australian Ministry of Foreign Affairs and Trade.

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### **Cambodia committed to green energy**

Cambodia is committed to incorporating more renewable energy according to a new master plan by Ministry of Mines and Energy. It will continue to increase the utilization of clean energy to the maximum extent possible, to mitigate some detrimental climate change impacts and ensure the security, accessibility, affordability and reliability of energy supply. For this purpose, we will integrate more renewable energy development projects into the PDP (Power Development Plan).

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## Myanmar

### **Telenor announced the sale of Telenor Myanmar Ltd.**

Norwegian telecom firm announced the sale of its shares in entirety to a Lebanon-based M1 Group for a total consideration of US \$105 million on 15th September, 2021. The move came after months of hardship Telenor Myanmar and all other telco operators in the country, after Myanmar's military declared a state of emergency in February, subsequently shutting down mobile internet across the country.

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## **Prudential Myanmar introduces a health insurance - PRUHealth**

Prudential one of the leading life insurance companies has continued to make significant investments in technology in Asia and this time in Myanmar, Prudential has introduced PRUHealth, a health insurance to combine financial protection, illness prevention, and wellness improvement. PRUHealth, not only brings the benefit of financial protection during health emergencies, but also gives family financial protection in the untoward, unforeseen event.

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### **Asia**

## **Australia, Singapore and Malaysia to develop shared platforms**

Governments and central banks of mature economies in APAC are exploring the opportunity a cross-border payments trial using different central bank digital currencies (CBDC) so that financial institutions to transact directly with each other in CBDCs and would evade the need for intermediaries and hence reduce the time and cost of transactions. The countries would evaluate the efficiency, cost effectiveness in these transactions.

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## **China's Ant Group invests in Singapore restaurant booking platform**

The Southeast Asia's payments market is expanding rapidly on the back of rising demand for online shopping. Alipay, a Chinese payments giant, under Ant Group, has made a US \$15 million equity investment in Chope, the Singapore based restaurant booking platform. The funding is part of a wider strategic partnership in which Alipay is providing Chope with technology know-how and operational support.

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## **UAE deepens trade ties with India and Indonesia**

The United Arab Emirates aims to accelerate trade with India and Indonesia as it moves to strengthen its role as a global hub for business and finance. The UAE Minister of State for Foreign Trade, Thani Al Zeyoudi, has visited the India and Indonesia to deepen the prospects of trade and Investments and alongside conclude the discussion into Comprehensive Economic Partnership Agreement by the end of the year that would boost non-oil trade between the nations from US \$40 billion before the pandemic to US \$100 billion over the next five years.

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## **Black Sesame Technologies raises funds from Xiaomi to nearly US \$2 billion**

Black Sesame Technologies, an AI digital imaging technology firm based in Silicon Valley and Shanghai, was valued US \$2 billion after being backed from from Xiaomi Corp and other investors. The financing is mainly for the research and development, talent introduction, market expansion and commercialization of the next-generation high-performance, large-calculus autonomous driving platform, according to the company.

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## **Chinese Tech giants are embracing delivery robots**

Rising demand for contactless services during the Covid-19 pandemic are forcing Chinese tech companies to use robots as delivery personnel. Chinese tech giants like Alibaba, Meituan, and JD.com are all set to use a thousand odd robots as delivery personnel as demands for contactless service surge in the wake of the pandemic. Executives at these companies are expecting a four-fold increase and believe together they may operate over 2,000 robots by 2022.

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## **Honda aims to launch satellite by 2030**

On 30th September 2021, the Japanese car company - Honda Motor announced to launch a test rocket by 2030 as it looks to enter the small satellite launch business. The automaker, envisions reusing its rocket by enabling some of the components to land back on Earth after launching. Honda will make use of the control and guidance technologies it has created through the development of automated driving technologies.

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# About us

ASEAN Business Partners is an independent, market entry and market growth specialists that helps internationally oriented companies manage and grow their operations in ASEAN sustainably and profitably. We are well-networked, independent of governments, and dedicated purely to serving our clients. Our management and country experts are unrivaled in their ASEAN network, experience, and expertise, with proven credentials.

We are a team of top-class professionals with expertise in different industries. Our executives have worked as CEOs, CFOs and in other senior positions in top multi-national companies and represent the best talent available globally. Our founder, Sumit Dutta, is an ex-HSBC CEO who has worked in Indonesia, Vietnam, Hong Kong, India, and the US. A majority of our team and country experts are former senior-level executives from multinational corporations.

We are passionate about the ASEAN region, one of the highest growth markets in the world, and believe it will be the market of choice for all forward-looking international companies. We seek to create value for our clients and their customers in ASEAN, and so contribute to the prosperity of ASEAN nations and their people.

Please take a moment to review our [website](#). If there is any way we can assist you, please reach out to us.

Newsletter Editors: Sarayu Srinivasan, Vibhusha Sharma

Contributed by: Thao Nguyen, Huy Tran, Sarayu Srinivasan, Sudhir Kamath from Wibmo and Kabuki Studio

# Contact us



**Sumit Datta**  
Founder and Chief Executive Officer



**Raj Ghosh**  
Head of Client Relations for USA and Canada



**Tony Turner**  
Head of Client Relations for UK and EU



**Kavita Panda**  
Head of Partnerships and Country Manager India

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