



Our Indonesia Business Partner COO Jeti Muliawan's family get-together this year was at Bali. With only local eateries, fewer people and deserted beaches, her family enjoyed the stay much more as compared to their previous visits. This holiday for Jeti was relatively inexpensive, with domestic travel being encouraged with cheaper flights and stay. Image credit: Jeti Muliawan

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Looking beyond COVID-19 for SEA tourism

KAVITA PANDA



Image credit: Jetti Muliawan

It is going to be two years since COVID-19 in about less than two months and it is not more relevant than now to look at tourism as the “responsible holiday or travel” season approaches us. Reportedly there have been announcements of reopening of [ASEAN's islands for tourism](#), but can the region afford to? The region is not new to a setback in travel and tourism - but the impact as the COVID-19 was unprecedented. Epidemics or natural disasters in the past like the Tsunami (2004) or SARS (2004-05), Cyclone Nargis (2008) or Avian Influenza (2012-2014) have impacted business, but the dependence on international tourist was much smaller at [51 million international tourists](#) at the early part of the century which doubled a decade later.

Close to a fifth of ASEAN population was the number of international travellers at 144 million, who visited the region in 2019. COVID-19 further reduced the number of visitors by a fifth. The pandemic put the brakes to all the planned growth for the travel and tourism industry across the globe and in South East Asia.

Come to think of it, natural disasters have had a larger impact with visitors avoiding the location, but the impacted location to be re-built as well. But was the impact of COVID-19 as devastating as we thought it to be?

Closing of borders meant that the international tourists could not visit, but the same closing of

borders meant that people could only travel within the country had no recourse but to travel within the nation. For example, in 2019, 11.7 million Indonesians travelled outside the country but and Indonesia received 16.1 million international visitors. That's more than two thirds of the potential tourists. Domestic tourists normally spend lesser within the country as compared to international ones, but as the domestic tourists had planned for international travel, they actually spent the same amount while traveling domestically. Anecdotal evidence suggests that the luxury suites in the high-end resorts were the first ones to be sold out, as they doled out the offers to attract tourists but had many takers as well to meet the pent-up demand. Furthermore, with the work-from-home translating to work-from-anywhere, many moved out of crowded Jakarta / Manila to travel local places.

Airbnb, the world's leading short term rental platform, particularly has had a strong rebound with the combined strategy of focusing on domestic tourists and with customers seeking nearby rental properties to take a break from months of working from home. This trend has been observed far higher in North America as compared to South East Asia, but has contributed significantly to Airbnb turning in profitable in the quarter ending 30th September.

The more tourism dependent Thailand (22% of the GDP and largest employment sector) suffered a far larger impact of the pandemic. With 40 million tourists in 2019, the domestic numbers were far too small. This has resulted in economic distress which is visible in Thailand, shuttered shops, long queues for food handouts, and crowds of angry, unemployed young men in the anti-government protests. The country would definitely want to diversify to a larger array of sectors as it rebuilds its economy and reduce its dependence from this sector.

This reduced impact on tourism in the countries like Vietnam and Indonesia, which are newer tourist destinations, some may argue could be distorted by the economic impact of COVID-19. As the economies across shrunk as an aftermath to the COVID-19 impact, we also are aware that the income gap has actually become more pronounced. The rich have actually gotten richer and the poor, poorer. The travel and tourism industry caters to the rich and therefore was not affected by this change.

In fact, Indonesia is trying to capitalize on this high-end tourism. It attracts fewer tourists who spend more on luxury trips than typical mass tourism experiences. This, the government believes reduces environmental impacts while increasing economic benefits. There are detractors to this hypothesis, but in reality, we have seen greater biodiversity getting added to the environment around us as a direct outcome of the pandemic and reduced human interference.

But all that is the past and the present of 2021 with an extended hangover to 2022. Going forward, what could be the potential challenges to this industry given that COVID-19 has significantly changed all of us? We all are accepting that we have to live with COVID-19 and that this cannot be wished away. Living with COVID-19 means higher awareness about:

Hygiene – Most significant change that has happened to us humans, the paranoia about cleanliness. This will be a non-negotiable as we very cautiously step out, especially if it is a family travel with unvaccinated kids.

Home crowd – The import of domestic tourist has been established through the pandemic, were the saviors to the tourism sector. Given that regulations could potentially change at short notice, domestic crowd will continue to reign and be a large part of revenue contribution.

Humble locations – Smaller, humble locations would gain traction rather than the mainstream locations as people would try to avoid crowds. This increases opportunity for a wider set of locations but the more popular destinations may not get to the high benchmarks.

Hybrid Corporate – A dated report (2004, Sharma UNWTO) states that 30% of international travel was Business travel. Estimating that this spills over to domestic as well. The pandemic has taught us that business meetings can be conducted virtually. Given that the hybrid work culture means that people are not even going to their offices, travelling for business is definitely set to change. However, again given that hybrid work culture may be the future of the work-place, bonding between teams, building a corporate culture may be through the offsites. These two opposing trends will definitely have a negative impact on the overall travel for business, the quantum yet to be decided.

Heighten revenues – The service providers in the travel and tourism industry had to diversify to heighten their revenues. Be it souvenirs for sale online, or supplement income via farming or as a delivery person for online platforms, building the resilience by expanding their services was a quick lesson learnt for survival, and unlikely to be forgotten in a hurry.

Learning new things, enjoying new experiences, seeing new places energizes people to embrace the monotony of their familiar and predictable regular life. Especially, the pandemic has deeply reinforced the joys of travel after being jailed in the house, we know what we were missing! As travel restrictions ease, tourism is slated to pick up and rebuild.

ABP Solutions**Survival guide for the 3rd party cookie apocalypse**

VOJTECH KURKA – MEIRO

*Image credit: Shutterstock*

It's quite a bit of a clickbait to say that [Google killed the cookie](#). What's more apt would be that Google made a landmark move against bad cookies – in favour of user privacy. The truth is, the crackdown is focused solely on 3rd party cookies, which according to us (and we're sure for several responsible internet agencies) bodes well for consumers and makes the internet a much safer place.

To fully understand the move it's important to realize just what a 3rd party cookie is, and who uses it. A 3rd party cookie is one that's created by domains other than the one visited by the user at that time, and are usually used for tracking and ad serving purposes. Which of course makes such cookies a favourite for organizations building huge databases of users – where they go & what they do on the internet. Tracking and harvesting activities of users to build rich user profiles – which are very valuable for advertising & retargeting. Beginning to see how this could also be dangerous, right? (if not, we recommend some Netflix and spine-chilling. Watch 'The Great Hack'.)

This tracking occurs when your web browser loads an advertisement or accesses a web server and generates a cookie. Then, even after you end the session and access any other page showing an ad using this server, that little cookie sneakily continues to track your path & behaviour across domains. A bit creepy yes, but for long this represented a huge source of user behavioural data.

So what makes this move such a truly watershed moment? Consider this: Chrome is today the most-used browser, owned of course, by Google whose Google Ads is by far the largest advertising player in the world. The sheer immensity of the decision is sure to have correlating ramifications, that will affect organizations and users alike in the years to come.

But. But. But. We're here to tell you advertisers and marketers that... It's really not that big a problem. RELAX.

Your Google Analytics and/or Facebook Pixel will continue to work as both JavaScript trackers have been using first-party cookies since 2017 and 2018 respectively. Which means these law-abiding JS trackers will ask for your consent and only then use first-party cookies. While the big bad DMPs who've been collecting and profiling your browsing history & data without consent will have a much harder time.

However, it's only a matter of time before first-party cookies too face the same kind of crackdown, and become severely limited, if not blocked altogether. Already most browsers have enacted some sort of restriction – like Apple releasing the Intelligent Tracking Prevention feature for Safari – so that first-party cookies set by JavaScript expire in only a few days. One solution would be to set a 2-year expiration date of cookies like in the days before (read: circa 2007), via a script from the main domain of your website (not loaded from a 3rd party server), or set by a HTTP protocol instead of JavaScript. Which is exactly what Meiro does. We deploy complete tracking solutions – not just JavaScript trackers, but also back-end solutions for each client. Of course, there's no way we could create such complete, rich (or dangerous/creepy) profiles like DMPs. But we can reliably measure behaviour of users on our clients' websites, so seamlessly that it seems a part of the website itself.

This is the only way forward for advertisers, after the 'death' of third-party cookies and the inevitable demise of first-party cookies too. Not to track and store 'Everything I can know about everyone across the internet', because the danger is that such comprehensive data could be misused (or stolen), and well also... stalker alert. But instead, to collect only the data you absolutely need – about your own customers and visitors to your website, or limited to your website/mobile app, etc.

To conclude, we welcome the change. It's not a death knell for advertisers but instead a welcome chime, ushering a new internet – one that's safer and more privacy abiding. One that asks customers to happily and willingly share – instead of slyly stealing from them.

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One life, many gamers: Mobile gaming trends in Southeast Asia

SARAYU SRINIVASAN



Image credit: Shutterstock

Each of Southeast Asian nations has some interesting insights for western mobile gaming developers. While one market has more female mobile gamers, another has a history in online gaming or some even have edge over other ASEAN markets in English proficiency. Thanks to the fast-rising mobile internet connectivity and high youth population, Southeast Asia's mobile gaming is set to grow at 17.4% y-o-y. In 2020, an average Indonesian player [increased the number of online games played](#) each month by 26% compared to the 2019 average. The governments have also realised this trend and included esports as a medal event in the Southeast Asian Games since 2019.

A google survey revealed that at least one in three smartphone owners in Southeast Asian markets played mobile games once in last seven days. Over 82% of Southeast Asia's urban online population are gamers and mobile gaming leads by a significant margin over PC and console. Southeast Asia alone has contributed a significant share to the growth of global mobile games that was valued at \$ 49 B in 2019 making up to 60% of the overall revenue of the gaming market.

In 2019, the gaming sector generated \$ 4.3 B with a y-o-y growth of 13.9%. The same year mobile gaming was valued at \$ 3 B and PC gaming only a third of it and growing at less than half of mobile gaming growth rate.

Why should boys have all the fun?

Closing the gender gap with a highly patriarchal market is a feat that the gaming industry of Southeast Asia can boast of. 77% of women into online gaming are mobile gamers vs 83% of male gamers, the gender gap in uptake of mobile games is lowest compared to console 64::75 and PC at 50::63.

Infact, gaming is not only popular among the [Gen Z](#) but also to late-adulthood population. The gaming audience in Southeast Asia comprises 14% female Gen Z gamers, 12% male Gen Z gamers, and 25% women, and a little more than half at 14% of men of 45 to 54 years of age. This is also true for Vietnam where 59% of women were gamers where only 54% of men were gamers. In 2020, there were 48.99 million females and 48.6 million males in Vietnam's population - a marginal difference? With such high numbers and naturally so Vietnam's mobile gaming boom has been higher than that of Philippines.

Monetize games yet retain players

To encourage in-app purchases, paid downloads and in-app advertising, publishers have resorted to indirect or subsidy-based monetization strategies to make up for direct revenue. With high disposable income and a history of in-game purchasing culture, Thailand and Malaysia can lead as positive examples for the mobile gaming world. Advertising revenue also seems to be a convenient strategy for non-paying gamers.

Thailand is said to be the largest market in terms of gaming revenues in Southeast Asia. Ever since 2000s South Korean, Malaysians and Thai people dominated the traditional online PC game markets and they are much more used to paying for online games.

Indonesia is also emerging to be key mobile gaming market. Nearly 50% of paying gamers come from Indonesia and Thailand. Singapore which is said to be mature market for internet products, will reach a saturation point while the other emerging Southeast Asian markets will overtake the growth. The country reports lowest percentage of paying mobile gamers however they spend more than others per player.

Social gaming is also picking up pace as a segment. With COVID-19 related regulations of social distancing, team games have picked up pace. Mobile messaging apps are also expanding their ability to serve as gateways to new kind of audience for games and online networking services. While still in earlier stage of product lifecycle, one the companies hit the critical level of users to capitalize on network effects, the Southeast Asian market have an opportunity for a massive user base for team gaming platforms.

Anglicized or localised?

In 2019, when the first world-class esports tournament was held in Philippines a game Mobile Legends: Bang Bang led the show. This tournament was ensured that it was brought to players in 14 languages. Their peak viewership touched as high as 760,000. What the game's Chinese publisher also did was collaborate with Southeast Asian countries to create new characters from their respective histories or folklore like Lapu Lapu from Philippines, Minsitthar from Myanmar, Kadita from Indonesia and Badang from Malaysia.

Western mobile publishers cannot cash-in on the nascency of the Southeast Asian gaming market, a broad young literate middle class population with high disposable income, less regulation and well-established western distribution channels such as Google Play and iTunes App Store, but introduce relatable gaming experience.

Mobile interest being more accessible than ever before and affordable high-spec devices and more non-SEA publishers trying to enter makes Southeast Asia one of the fastest-growing markets. Some of the top-grossing games in Southeast Asia are from west. Philippines has some of the most western titles making up almost 65% of the country's top games. Still to catch up in other markets western game publishers still have an edge over others to rank within Top 20 rankings.

Even as the region most holds low English Proficiency Index (EPI) and English penetration is less than 1% of the market, Singapore, the Philippines and Malaysia can be prospective markets for western gamers to enter with their products. Even as Thailand is one of the most promising markets with a high gaming population localisation might get complex but one needs to put money where there is a promising return. On the flipside, Thai gamers might not altogether shy away from anglicised games if they are as good and gaming more about visual cues than about language itself.

A large and densely populated geography, a very favourable young demography, relatively strong and vibrant economy which encourages consumerism, growing disposable incomes for discretionary spends, strong and increasing investments in developing IT infrastructure with internet and mobile connectivity, the Southeast Asia is poised to grow the gaming industry notwithstanding the language barrier.

Southeast Asia’s economy is evolving - The Unicorn theory

VIBHUSHA SHARMA

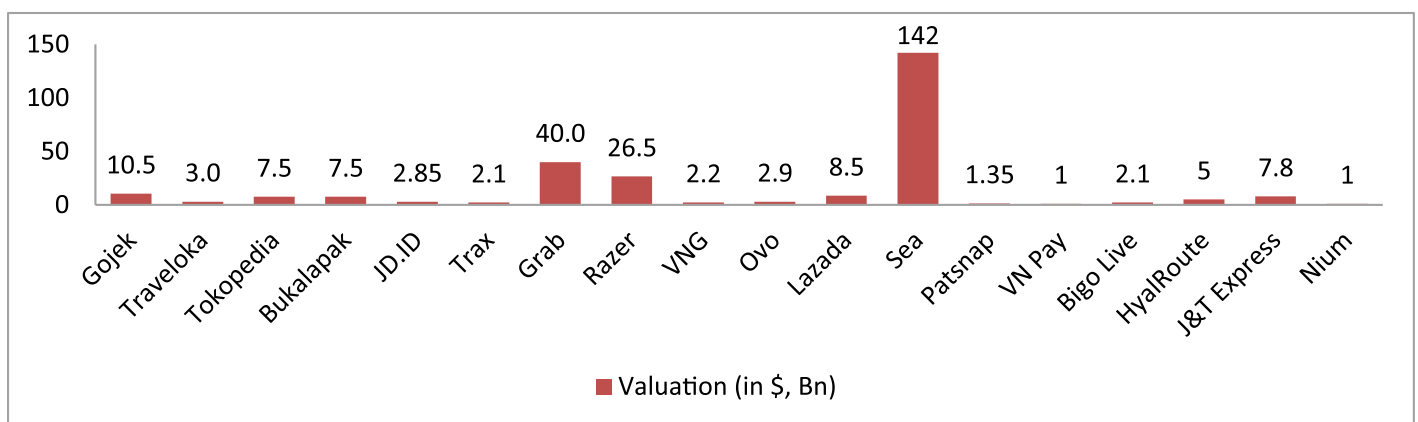
Having added 12 unicorns to its nest in the most difficult period of the century one could say Southeast Asia is perhaps experiencing a boom in investments. Southeast Asia is led by 30 unicorn startups with a collective valuation of US\$ 390 Billion is expanding domestically and within the region. Even as Singapore dominates the startup investments, but with Indonesia, Vietnam, Thailand, and Philippines picking up pace the emerging countries will surpass the mature market. It is also true that Singapore has friendly investment laws and has had the beginners luck so far, but the other markets in the region are much bigger promising a bigger growth.

The term “unicorn” describes a privately-owned startup with a valuation equal to or over US\$1 Billion. With the funding explosion, these companies are now domestic and regional leaders in their respective sectors. SuperApps are a growing phenomenon in Southeast Asia.

Right from e-commerce to ride-hailing, from gaming to travel and digital payments these companies have in a brief span have become regional and global leaders in the respective fields. Southeast Asia is poised to transform into becoming next big market for venture capitalists. Government grants, incubators, accelerators, universities and a growing pool of angel investors and passionate entrepreneurs have hastened the number of startups and seed investments.

With growth in digitization initiatives by governments such as Thailand 4.0 and investment friendly laws such as Omnibus Law, Southeast Asia as a region could surpass, other developing nations. Business experts say that Southeast Asia will witness more companies ripe through an IPO in the coming years.

Major Tech unicorns in Southeast Asia based on the funds raised.



1. Go-Jek



Headquarters: Jakarta

Major Investors: Google, Tencent holdings, Temasek Holdings

GoJek was founded in 2010 in Indonesia. They started with two handfuls of motorcycle taxi drivers, and later started going mobile. KKR, Warburg Pincus, Google, GIC, Tencent and many others have joined the ranks as investors. Its mobile payment Gopay is also one of the commonly used e-wallets in Indonesia.

2. Traveloka



Headquarters: Indonesia

Investors: East Ventures, Hillhouse Capital Group, JD.com and Sequoia Capital.

Established in 2012, Traveloka today is the largest OTA in Southeast Asia, it currently has its presence over Indonesia, Thailand, Vietnam, Malaysia, Singapore, and the Philippines. One of its key differentiator, when compared to international OTAs was that it accepted local payment methods in countries where credit card penetration is very low.

3. Tokopedia



Headquarters: Indonesia

Major Investors: Google, Temasek Holdings, Alibaba Group, SoftBank Group, East Ventures

Incepted in 2009, Tokopedia is Indonesia's largest online marketplace. In 2014, Tokopedia received \$ 100 million in investment from Sequoia Capital and Softbank. Alibaba also invested US\$1.1 billion in. Alibaba and Softbank poured another US\$1.1 billion in 2018. On May 17, 2021, Tokopedia and Gojek announced the completion of their merger and established a new holding company called GoTo. In November 2020, Tokopedia has received funding from US-based internet firm Google and Singaporean state fund Temasek Holdings.

4. Buklapak



Headquarters: Jakarta

Investors: Ant Finacial, 500 Startups, Emtex Group, Mirae Asset-Naver Asia Growth Fund

Bukalapak commenced in 2010 and is currently one of the largest e-commerce companies and fourth startup in Indonesia to have received its unicorn status. In 2015, it received a capital

injection from Indonesian media giant Emtek, against a 49% stake in Bukalapak. Unlike BNI and Tokopedia that focus on offline and rural areas, Bukalapak is more active in international business. Bukalapak also launched Mitra Bukapapak to target small vendors in rural areas offline. In May 2019, it launched a new platform, BukaGlobal, to connect more than 4 million Indonesian merchants with overseas consumers.

5. JD.ID



Headquarters: Jakarta

Investors: Gojek, Provident Capital

JD.ID incepted its operations in Indonesia in 2015 and was placed as the first stop as an online mall overseas. JD Indonesia 's valuation has exceeded US\$ 1 billion & since its inception JD.ID 's operations in Indonesia are spread widely locally and they come with a promise of lightning speed delivery. Thanks to JD.ID 85% of orders in Indonesia can be delivered within a day.

6. Trax



Headquarters: Jakarta

Investors: Softbank, Blackrock

Trax is an Israel based company founded in 2010 and has more than 150 customers in the retail and FMCG industries, including beverage giants Coca-Cola and Budweiser. The company today provides cloud-based retail analytics and execution platform and has its business and operations across more than 50 countries.

The company was crowned as 'Unicorn' after the completion of US\$ 100 million Series D financing led by Hopu Investment in July 2019. This year they have secured US\$ 640 million in a Series E financing round led by SoftBank Vision Fund 2 and technology-focused funds managed by existing investor BlackRock, Inc. The company today is more focused on acquiring companies than developing its own products and attracting investments for the same.

7. Grab



Headquarters: Singapore, USA

Investors: GGV Capital, Vertex Venture Holdings, SoftBank Capital

Southeast Asia's largest taxi giant, GrabTaxi, is Southeast Asia's response to Uber an American ride-sharing platform. Most recently, the company has received investments from companies including Didi, Softbank, and Toyota. It is expanding into food delivery, payment, and financial services and transformed into a super app. GrabTaxi rules Southeast Asia with up to 1.5 million daily bookings across six countries and 22 cities.

8. Razer



Headquarters: Malaysia

Investors: Accel Partners, Intel Capital, Temasek Holdings

Razer is a dinosaur when compared with other Unicorns, it was founded in 1998 in Singapore as a gaming equipment company. This high-end gaming hardware company was founded in Malaysia. It recently commenced its third concept store in Bangkok after Taipei and Manila, which its long-term focus in the growing Asian gamers.

9. VNG



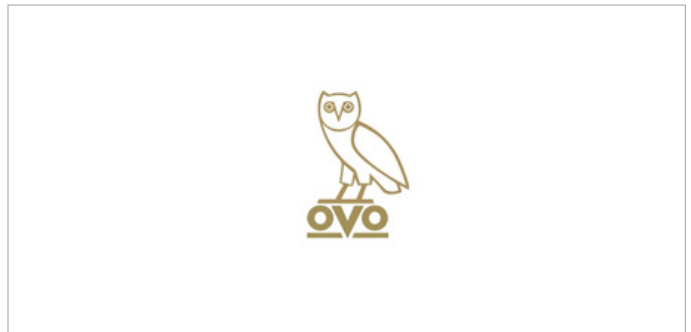
Headquarters: Vietnam

Investors: GIC, Goldman Sachs Group, IDG Ventures, and others

VNG is a technology company, founded in 2004, specializing in entertainment & social content. Its Zing - video music platform, Zalo - social app, and Zalo - Pay - mobile payment app serve millions of consumers in Vietnam. Despite its focus on Vietnam, it has secured US\$ 100 Million revenue, with 2,700 employees. VNG has also received investments from IDG Ventures

Vietnam and CyberAgent Capital, and its current valuation is about US\$ 2.7 Billion.

10. Ovo



Headquarters: Indonesia

Investors: Accel Partners, Intel Capital

OVO a leading digital payment service in Indonesia is the fifth unicorn in Indonesia after ride-hailing company Gojek, travel service firm Traveloka and two e-commerce companies Bukalapak and Tokopedia.

11. Lazada



Headquarters: Singapore

Investors: Tesco, Temasek Holdings, Summit Partners, JPMorgan Chase, Investment AB Kinnevik and Rocket Internet.

Established by the German Internet group Rocket Internet in 2012, This international E-Commerce company experienced high growth after success in China's JD and Alibaba, as well as India's Flipkart and Snapdeal. Lazada has received more than US\$3 million strategic

investment from the Hangzhou-based parent. In April 2018, Lucy Peng, Co-founder of Alibaba and Chairwoman of Ant Financial, took over Lazada’s CEO from Rocket veteran Max Bittner.

12. Sea



Headquarters: Singapore
Investors: Tencent

Founded as GarenaOnline in the year 2009 in Singapore and later renamed as Sea in the year 2017, the company went public in and raised US\$ 550 Million. The company initially commenced with desktop gaming has expanded into mobile gaming, ecommerce (Shopee) and fintech (Seamoney). Sea operates the popular e-commerce site Shopee, which has been expanded through Asia and Latin America, and the company is planning expansions into Europe by opening in Poland

13. VN Pay

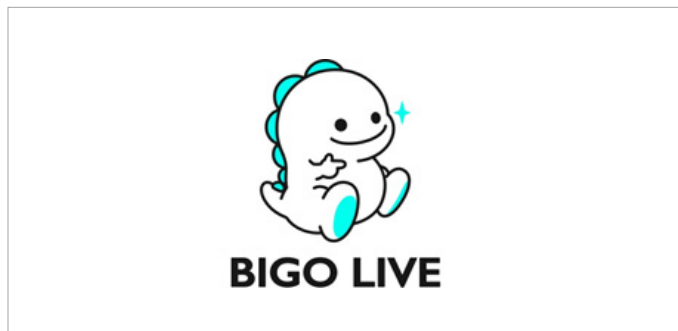


Headquarters: Vietnam
Investors: Soft Bank GIC

Founded in 2007, VNPAY is a financial services

company, providing electronic payment solutions in Vietnam. Banking, phone recharge, and bill payment solutions and services are a few of its core service areas, It provides services to 40 banks in Vietnam, 5 Telcos & over 200 e-commerce enterprises

14. Bigo Live



Headquarters: Singapore
Investors: Joyy

BIGO Technology, a Singapore based artificial intelligence and machine learning was founded in 2014 & launched its live streaming app ‘Bigo Live’ in 2016. In March 2020, it ranked 6th in the United States and 5th worldwide for streaming apps. Today, Bigo Live had 400 million users in more than 150 countries.

15. HyalRoute



Headquarters: Singapore
Investors: Kuang-Chi Corporation

Incepted in 2015, HyalRoute is a provider of shared communication fiber networks in Myanmar and Cambodia that focuses on overall

planning, design, construction, operation, and maintenance of shared fiber networks. Hyalroute signed an agreement with Philippines subsidiary PFOCN with investment in the fibre optic cable network is valued at between \$1 billion to \$2 billion.

16. J&T Express



Headquarters: Indonesia
Investors: Hillhouse Capital Management, Boyu Capital, Sequoia Capital China

J&T Express is an Indonesia based freight logistics company that was founded in 2015. This In Indonesia, J&T Express is a major shipping and e-commerce partner such as Shopee, Tokopedia, and Bukalapak.

17. Nium



Headquarters: Indonesia
Investors: Silicon Valley Bank, Global Founders Capital, Vertex Ventures

“Neeyam” which means ‘rules’ in Sanskrit targets B2B market. It operates in more than 100 countries and processes over US\$8 billion annually for banks and payment institutions. Nium basically creates a financial infrastructure for a seamless movement of money in any type of industry at every level of sophistication.

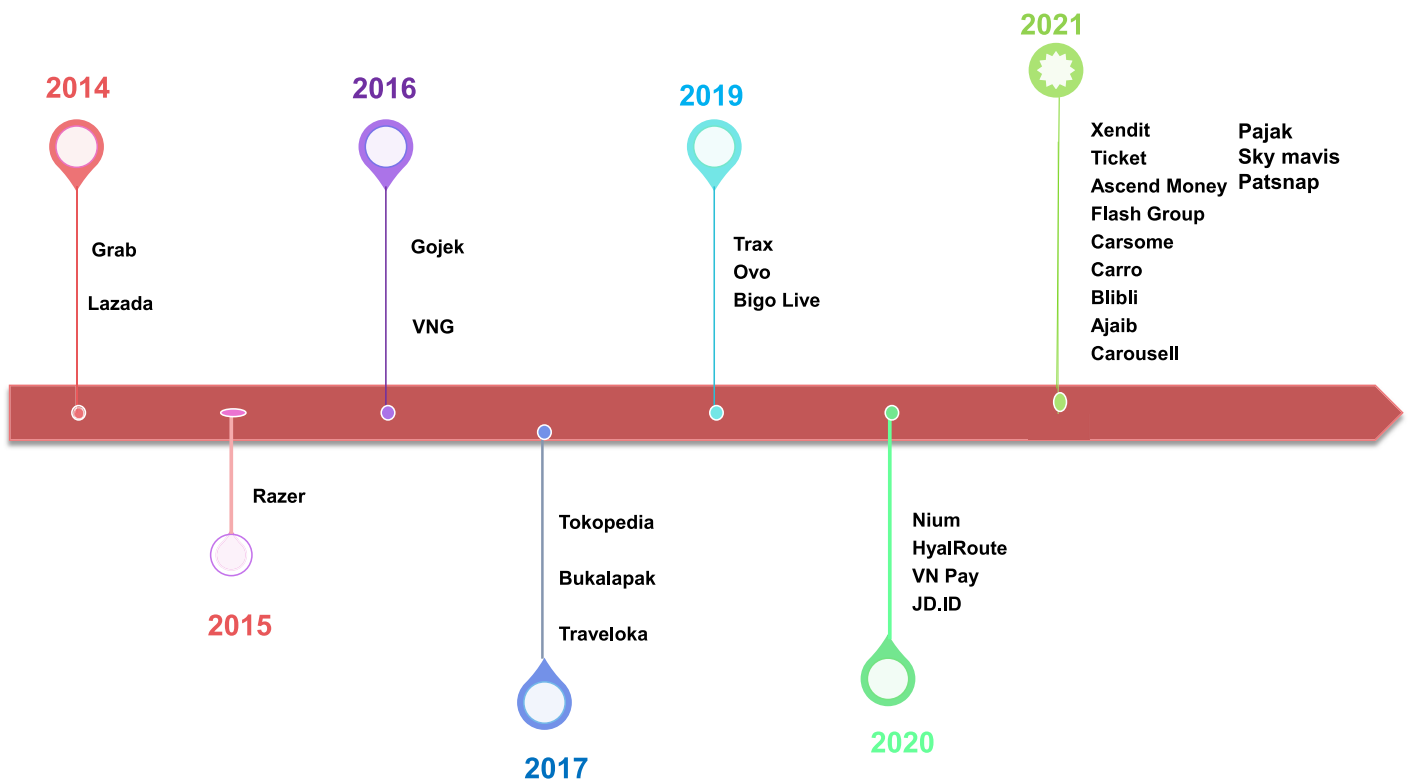
Sr. No.	Unicorn name	Category	Inception year	Unicorn year	No. of acquisitions	Valuation (in \$, Bn)
1	Gojek	Ride-hailing (main), Multiservice, digital payment platform. (SuperApp with Tokopedia as GoTo ecosystem)	2010	2016	13	10.5
2	Traveloka	Travel	2012	2017	3	3
3	Tokopedia	E-commerce, etc (SuperApp with GoJek)	2009	2017	1	7.5
4	Bukalapak	E-commerce	2010	2017	2	7.5
5	JD.ID	E-commerce	2015	2020	10	2.85
6	Trax	Analytics, AI	2010	2019	6	2.1
7	Grab	Ride-hailing (main), SuperApp	2012	2014	4	40
8	Razer	Gaming hardware (main)	1998	2015	5	26.5
9	VNG	Online games, mobile payment	2004	2016		2.2
10	Ovo	Digital Wallet and Loyalty	2017	2019	2	2.9
11	Lazada	E Commerce	2012	2014	1	8.5
12	Sea	E-commerce, Gaming, Financial Services	2009 as Garena (gaming subsidiary now)	2015	2	142
13	VN Pay	Financial services	2007	2020		1
14	Bigo Live	Live streaming, AI	2014	2019		2.1
15	HyalRoute	Telecommunication	2015	2020		5
16	J&T Express	Logistics	2015	2021		7.8
17	Nium	FinTech	2015	2020	2	1.0

COVID-19 may have dawdled the global economy, however, it has accelerated digital transformation globally in general and Southeast Asia in particular. There is a paradigm shift in Consumers habits, preference, taste for online interaction, and these behavioral changes provide strong tailwinds to sectors such as health - tech, online education, logistics and fintech. Cash transactions were replaced by mobile and digital payments for the first time during this period.

Enlisted below are a few more start ups coined as ‘Unicorn’

Sr. No.	Unicorn name	Category	Date of inception	Headquartered	Valuation (in \$, Bn)
1	Xendit	Payment infrastructure	2015	Indonesia	2.38
2	Ticket	Travel	2011	Indonesia	Undisclosed
3	Ascend money	Digital Payment	2013	Thailand	1.5
4	Flash Group	e-commerce	2017	Thailand	1.5
5	Carsome	end-to-end solutions to consumers and used car dealers	2015	Malaysia	1.07
6	Carro	marketplace for cars	2015	Singapore	5.89
7	Blibli	E-Commerce	2010	Indonesia	Undisclosed
8	Ajaib	Stock Trading	2019	Indonesia	2.40
9	Carousell	Classifieds	2012	Singapore	2.77
10	Pajak	Fintech	2014	Indonesia	1.7
11	Sky mavis	Gaming, Blockchain	2019	Vietnam	1.61
12	Patsnap	Patent analytics	2007	Singapore	3.51

SEA unicorn Club



In Indonesia, the younger generations, which make up the majority of the population, are driving adoption of alternative lending and digital wallets. In Singapore, artificial intelligence fintech and blockchain startups received the most funding in 2019. In Vietnam, digital payments have grown rapidly with the help of government support and a booming e-commerce sector. Indonesia, Singapore and Vietnam are considered to be the most appropriate investment destinations due to their booming internet economies, high and rising internet penetration rates, and increasing inflow of venture capital investments. The emerging markets are competing against the likes of India and China, while also attracting startups from these countries. The important factor to note for investors is to keep up with the trends of startup investments, government rules and regulations, economic needs and people’s aspirations. Understanding the cultural fabric and nuances of each market is important and calls for an inhouse representative in these times. The solutions offered by companies must be tailor made for these markets because of the uniqueness the region provides.

ASEAN's commitments to climate change at U.N. COP26 - a summary

MARLON IVES



Image credit: Shutterstock

Ahead of United Nations Framework Convention of Climate Change COP26 (U.N. COP26), ASEAN member states were already gearing up to transmit clean energy through regional power grid with pilots scheduled for as early as 2022. This project could itself further ASEAN integration strategies and the region can work together for each other to mitigate climate change effects.

ASEAN Member States have released a joint statement at the 26th U.N. confederation of parties on 26 October 2021 urging developed nations to support their net zero emission ambitions through climate finance, transfer of environmentally sound technology, scientific research, and capacity building.

Here is the summary

- ASEAN Member States (AMS) have reaffirmed the commitments to UNFCCC and the Paris Agreement by strengthening ASEAN's capabilities to prevent, mitigate and manage climate-related disasters through existing mechanisms; promoting sustainable management of forests; continuing to achieve substantial progress of the energy efficiency programme; welcoming cross-ASEAN pillar cooperation; and acknowledging Brunei Darussalam's ASEAN 2021 Chairmanship Initiatives of establishing the ASEAN Centre for Climate Change in Brunei Darussalam.
- AMS call upon parties to the UNFCCC and its Paris agreement to enhance their respective contributions in advancing low GHG emissions and climate-resilient development.

- AMS feels that there is a need to formulate and communicate their long-term low GHG emissions development strategies together with enhancing scientific research on climate change's effects on the entire Earth system.
- AMS call upon parties to the UNFCCC and its Paris agreement to expedite the completion of pending negotiation issues regarding terms of reference of the Consultative Group of Experts (GCE), the development of common reporting tables, common tabular formats under the Enhanced Transparency Framework and common time frames for Nationally Determined Contributions (NDC).
- AMS urged developed countries to undertake a clear and comprehensive evaluation and stock-take of the pre-2020 commitments, fulfil developed nations' commitment of mobilizing USD 100 billion per year by 2020 through 2025 to support the implementation of mitigation and adaptation actions of developing countries including AMS, continue and further scale up the mobilization of climate finance, and take the lead by enhancing mitigation ambition including setting net-zero emission targets with concrete policy and implementation.
- The member states feel that there is a need to strengthen support for AMS and other developing countries to analyze climate risks, formulate and implement adaptation measures.
- AMS and other developing countries should be able to access climate finance from the Green Climate Fund (GCF), Global Environment Facility (GEF) and the Adaptation Fund (AF) and this should be should be ensured and facilitated.
- “AMS urged developed country parties to enhance international cooperation and assistance, on the provision of timely, effective, adequate and predictable support to AMS and other developing countries for financing, the development and transfer of environmentally sound technology, scientific research, and capacity building, for mitigation and adaptation measures, as stipulated under the UNFCCC and the Paris Agreement.”
- AMS stressed on the need for alignment in economic recovery plans and stimulus packages in the context of COVID-19 crisis, and urge developed country parties to intensify their efforts in providing financial, technological and capacity support to AMS and other developing countries in fighting COVID-19 and climate change sustainably.
- AMS call upon parties to the UNFCCC to consider how to better understand the impact of climate change on oceans while respecting the mandate and competencies of other international legal frameworks and processes such as United Nations Convention for the Law of the SEA (UNCLOS).

You can read the joint statement [here](#)

News Snippets – ASEAN News that matters

October 2021

Singapore

Singapore Ed-Tech startup Geniebook raises US \$16.6 million

Geniebook, a Singapore-based online learning platform that uses a combination of machine learning and human teachers to personalize each student's education, has raised US \$16.6 million in a Series A funding round led by East Ventures and Lightspeed Venture Partners. The company plans to utilize the fresh capital to fund its team recruitment, product development, and market expansion.

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Grab acquires digital payment start-up

Singapore-based Superapp, Grab has plans in the works to go public by year-end with the special purpose acquisition company (SPAC) Altimeter Growth Corp. The company plans in making strategic moves towards a merger with Altimeter, which values the integrated entity at US \$ 40 billion. The deal gives Southeast Asia's most valuable startup a valuation of about US \$35 billion. Grab has now increased its share in Indonesian digital payment startup OVO from 39 to 90 %.

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Philippines

Japanese financial group buys 5% stake in RCBC

Japan's Sumitomo Mitsui Financial Group looks forward to growing beyond domestic market owing to slow growth in the home country finds Philippines as a key market and has agreed to invest around US \$90.3 million in Philippine based Rizal Commercial Banking Corporation (RCBC), taking a 5 % stake. The said financial bank aims to expand its presence in Asia and cited RCBC's strength in digital banking services.

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PLDT rolls out 5G to strengthen demand for data centers

PLDT an enterprise arm of Telco is poised to roll out 5G networks to fuel the demand for data centers in the Philippines. The company is determined to increase the demand for data centers in the Philippines thus making it the next preferred geographic destination in Asia-Pacific for global technology giants by strengthening country's global connectivity infrastructure. PLDT currently has over 5,000 5G sites to provide the best internet experience to customers.

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CIMB partners with Lalamove to enhance financial inclusion

Philippine's digital Bank partners with Lalamove, on demand logistics provider in order to the financial inclusion efforts of the Bangko Sentral ng Pilipinas (BSP). The collaboration enables Lalamove partners to easily access their credit needs and emergencies. CIMB's new digital offering – REVI credit, a buy now, pay later product can be easily converted into cash or loan to make a purchase.

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Vietnam

Hitachi partners with Bao Viet Insurance to enable innovation in insurance

Bao Viet Insurance, the largest non-life insurance provider of Vietnam signed an agreement with Hitachi Asia to collaborate and drive innovation in the insurance business. The said collaboration will integrate digital technologies like AI and big data analytics into the business to create health awareness and prevent diseases in Vietnam. Alongside, an app named Bao Viet will be provided to the insurance policy holders. This permits users to easily measure the risk of developing lifestyle-related diseases and received health guidance.

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Del Monte, Vinamilk launch new dairy product line

The joint venture of two food giants Del Monte and Vinamilk of Vietnam launched a new range of dairy products on Tuesday, marking their entry into the Philippine dairy market. The products presented are actually developed specifically to for Philippine market. These new products like Del Monte-Vinamilk Fresh Milk, IQ Smart Flavoured Milk, YoGurt Drink, and Tea Bliss Milk Tea are already available in supermarkets and groceries across the country, as well as in Del Monte e-commerce stores in Shopee and Lazada.

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Hanoi City to offer all round support to foreign investors

Hanoi city administration will offer foreign investors congenial conditions for businesses during the COVID-19 recovery period. The two important policies are “protection of investors' rights and interests and a harmonious relationship with the State”. Various policies are amended to identify and resolve challenges faced by foreign investors. Hanoi reported new registered investment of US \$1.28 billion in the month of September.

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Vietnam exempts 30% of CIT and exempts other taxes

In order to support businesses and people affected by the COVID-19 pandemic, the NA Standing Committee has decided to reduce 30% of corporate income tax for enterprises whose revenue in 2021 is less than US \$8.7 million and has been experiencing a revenue reduction compared with that of 2019. Alongside, there is an exemption of Personal Income Tax, Value added tax and other taxes for individuals as well as households in pandemic affected areas.

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Indonesia

PT Indosat Tbk working on a merger with PT Tiga Telekomunikasi

PT Indosat Tbk, Telecommunications operator is in the final juncture of merging with PT Tiga Telekomunikasi to form into Indosat Ooredoo Hutchinson with an estimated annual revenue of US \$3 billion along with a company valuation of US \$6 billion. This union plans to divest most of its shares in the data center business and remain listed on the Indonesia Stock Exchange.

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Indonesian government commences carbon tax regime

Indonesia is committed to meet the greenhouse gas reduction targets in accordance with the Paris Agreement one of the most prominent is the carbon tax. The Indonesian government has officially introduced the carbon tax in automobile sector and planned to gradually introduce it to various sectors. The carbon tax rate shall be higher than the market's rate, at US \$2.1 per ton of carbon dioxide emission.

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President Jokowi puts a ban on CPO exports

President of Indonesia is determined to stop exports of crude palm oil (CPO), nickel and bauxite ores, thus ensuring Indonesia to independently process these raw materials and increase their added values. The plan may invite global issue as thus far Indonesia controls 62 % of the global palm oil market share and 20 % of the vegetable oil market share and hence will adversely affect many industrial sectors in India, China, and Europe and other CPO importing countries.

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Cambodia

Cambodia plans to source 20 % of energy from Solar

The Cambodian government is determined to mitigating emissions in fighting against global warming by 2050 to 1.5 degree Celsius, in lieu of which, it aims to generate 20 % of energy from renewable energy. Presently, solar shares 9 % of the Kingdom's installed capacity. By the year 2023, seven additional solar power plants with a total capacity of 495 mW are expected to be put into operation, showcasing 20 % of the total energy supply.

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DTA between Malaysia and Cambodia will promote FDI

According to Malaysian ambassador to Cambodia, double-taxation agreement (DTA) between Malaysia and Cambodia will result into pouring more investment into the Kingdom and thus result into more foreign direct investment from Malaysia to Cambodia. Malaysian businessmen and investors looking for investment opportunities in Cambodia will benefit from the agreement as the agreement will not just eliminate double taxation but will also inherit greater tax incentives.

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Thailand

Thailand welcomes tourists from November

Thailand welcomes fully vaccinated tourists from Nov 1 which is after 18 months of COVID-19 travel restriction. This tourism dependent economy has witnessed its numbers tumbling from 40 million in 2019 to 73,000 in the 2021. The authorities anticipate that a plan to expel stringent quarantine rules shall attract visitors back to the Kingdom. The tourism industry is estimated to return at a minimum of a million visitors and generate about \$30 billion in revenue through 2022.

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Malaysia

Malaysian Air Asia's Super App collaborates with over 20 new airlines

The Malaysia budget airline, AirAsia Group Bhd (AIRA.KL) collaborates with 20-plus airlines to form into a Super App as platform for 'online travel agency'. The said Super App has been formed with airlines like Air Canada, Air France, Bamboo Airways, flydubai, KLM, Qatar Airways and Philippine Airlines as well as has some 700 airline partners and can reach over 3,000 destinations.

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SCHNEIDER Electric and Gamuda Engineering signs MoU

SCHNEIDER Electric and Gamuda Engineering have signed a Memorandum of Understanding to increase construction efficiency through innovation and sustainable solutions. By this partnership, Gamuda will leverage Schneider Electrical's experience by increasing on collaborative analysis to utilize the newest expertise and integration in addition to offering coaching on its tunnelling and engineering presents.

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Malaysian Government takes upbeat initiatives to promote MSMEs through digitization

The government of Malaysia has taken measures to revitalize the micro, small and medium enterprise (MSME) sector to strengthen the digital ecosystem in the country. The Govt. has also launched Malaysian Digital Economy Blueprint, a roadmap for digital transformation that aims to enable the business sector to compete at international level. The Govt. has launched 'MyDigital' initiative that has set a target to empower every Malaysian by increasing their digital literacy level, which will improve their lives in many ways.

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Myanmar

Myanmar's Junta Government releases hundreds of political prisoners

Myanmar's military government has released more than 5600 political prisoners, who participated in anti-coup protests from the infamous Insein prison, including Aung San Suu Kyi's party spokesman and comedian Zargana. It has been alleged by a few activists that the release is premised on the political pressure as well as to reconstruct the Military Government's reputation in international forum and not humanitarian ground.

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Asia

Malaysian Foreign Minister urges ASEAN to re-think on its non- Interference policy

Malaysian Foreign Minister Saifuddin Abdullah states that ASEAN's policy of non-interference in the affairs of its member states has contributed to ASEAN's helplessness in making effective decisions rapidly, and suggested a move towards a new policy of constructive engagement or non-indifference. Amidst the deteriorating conditions in Myanmar, whereby more than 1000 civilians have been killed in a crackdown on strikes and demonstrations since a February 1 coup, the concerns of other 9 countries should not be ignored.

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Indonesia to turn become China's largest coal producer

Indonesia, Australia, Mongolia, South Africa and Vietnam are the five largest coal suppliers to China. However, Thermal coal exports from Indonesia will grow fastest. There is 21 billion mt of coal reserves contained in the remote areas of Papua, Sumatra and Kalimantan. China's coal imports came from Indonesia were 6.6761 million mt in September, accounting for 34.94% of the total volume. YTD coal imports through September from Indonesia were 42.7787 million mt, accounting for 34.68% of total coal imports.

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Toyota to make an investment US \$3.4 billion in US Battery plant

Toyota Motor Corp. plans to invest US \$3.4 billion in the U.S. through 2030 to establish a new company and make its battery plant debut in U.S. Thus, becoming the latest global automaker to accelerate the transition to electric vehicles through a battery push. The investment is part of Toyota's global plan announced last month to spend 13.1 billion by 2030 on battery development and production.

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Tata Motors earmarks US\$ 2 billion for EV subsidiary

The Indian carmaker, Tata motors in order to push its clean mobility & boost Electric Vehicles raises US \$1 billion from TPG Rise Climate and Abu Dhabi's ADQ This is the first fund raising by an Indian carmaker & the said investment will result into a newly formed subsidiary giving a stake of 11-15 % to the TPG-ADQ jointly.

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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.

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