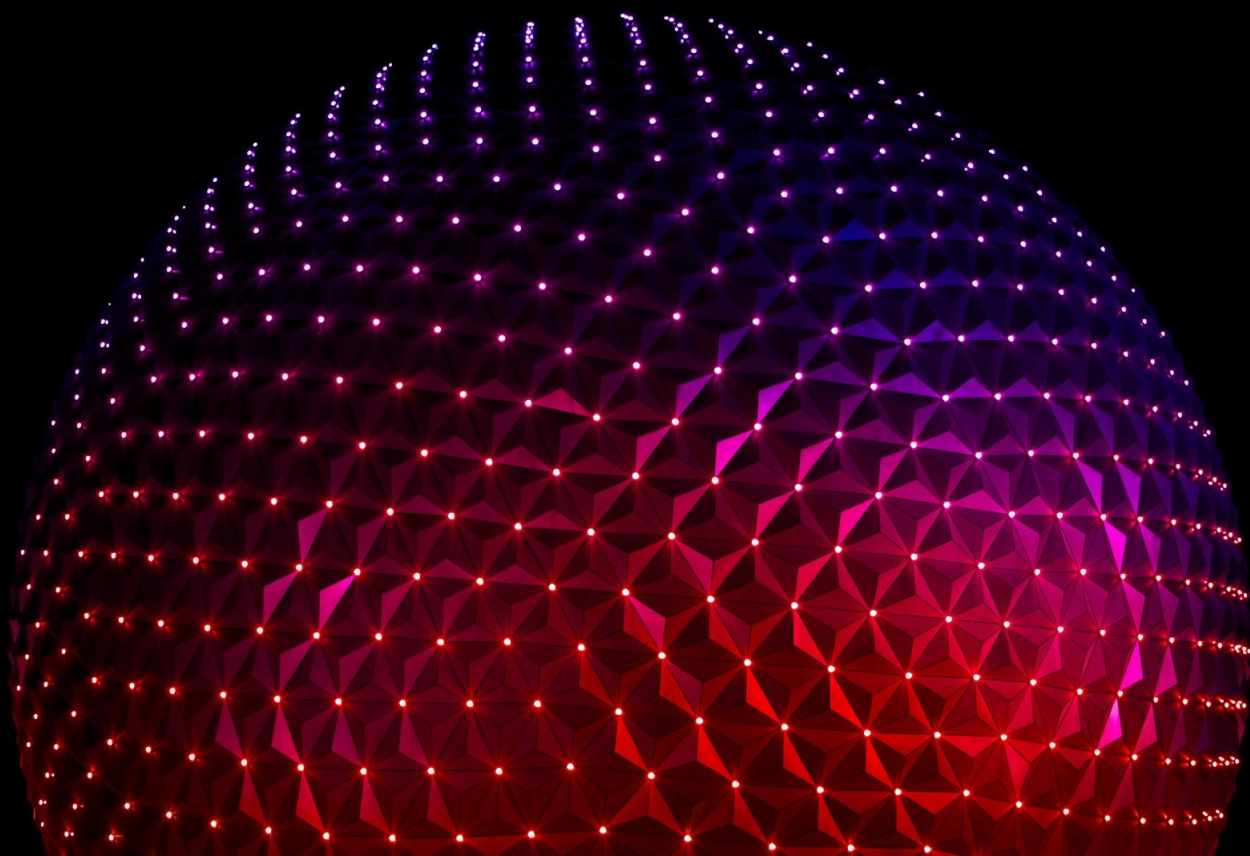


# Twimbit open finance radar Q1 2024



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Twimbit is a research and advisory firm driven by a singular mission: to empower businesses that are making a difference. We specialise in providing invaluable industry intelligence to executives and teams, acting as a catalyst for innovation and growth.

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## Summary



01

Grab's collaboration with Triple-A enables customers in Singapore to top up their GrabPay Wallet using Digital Payment Tokens, catering to the growing demand for cryptocurrency transactions.



02

Collaboration between PhonePe and LankaPay, facilitating seamless UPI payments for Indian travelers.



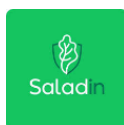
03

Integration of Alipay+ payment solutions with Move Digital boosts payment experiences for customers across APAC



04

Introduction of Malaysia's first Islamic BaaS solution powered by 5G technology targets MSMEs' financial inclusion.



05

Introduction of travel insurance products within the Vietnamese payment platform, ZaloPay leverages embedded insurance to enhance customer convenience and add value

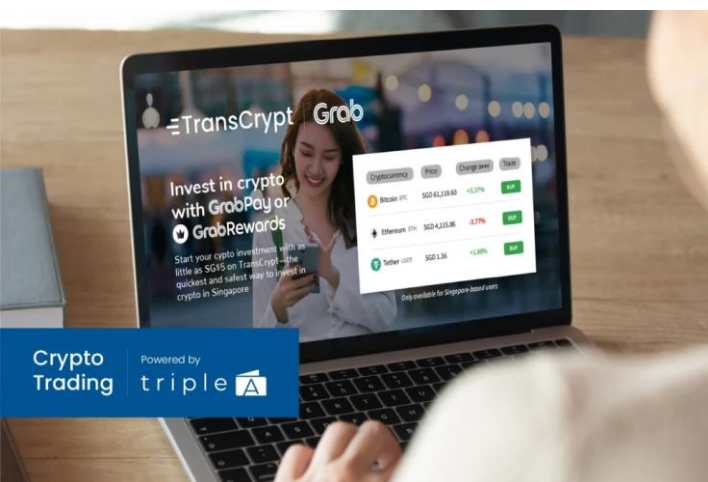


## Introduction

The tides are turning in the Asia-Pacific (APAC) financial sector. Fuelled by a surge in open finance adoption and strategic investments in cutting-edge technology, a paradigm shift is underway. This transformation transcends mere trends; it's a calculated response to the ever-evolving demands of today's consumers and a dynamic regulatory environment.

The open finance revolution promises to reshape the industry landscape, unlocking a treasure trove of opportunities for financial institutions. By embracing open APIs and data-sharing frameworks, institutions have forged a more intertwined and frictionless financial ecosystem, fostering deeper customer engagement.

This report delves into the latest developments and pioneering initiatives shaping the open finance landscape in APAC. We dissect key market trends and initiatives, empowering industry stakeholders with actionable insights to navigate the exciting future of open finance in this dynamic region.



# 01

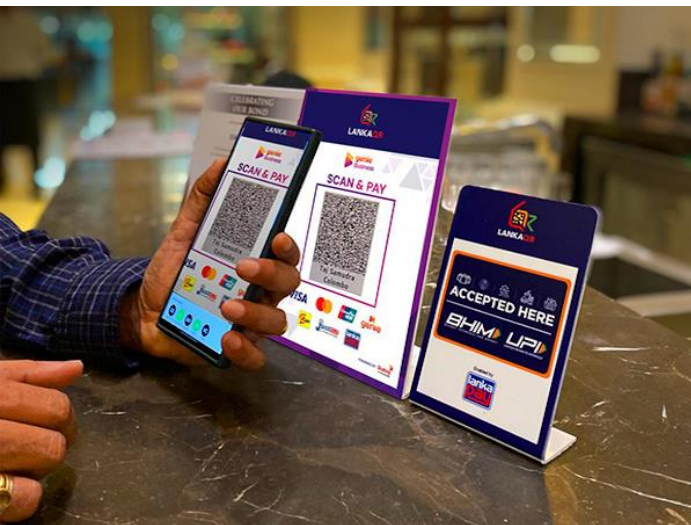
## Grab's strategic partnership with Triple-A: Pioneering cryptocurrency integration in digital payments

In Q1 2024, Grab announced a strategic partnership with licensed payments provider Triple-A (Singapore), marking a significant move in the realm of digital payments.

This collaboration enables Grab customers in Singapore to seamlessly top up their GrabPay Wallet using digital payment tokens. With this new feature, stablecoins and other digital assets can be converted into usable funds for GrabPay. Triple-A, facilitates the conversion of digital currencies into fiat currency instantly, ensuring smooth and efficient transactions within the GrabPay platform and enhancing customer experience and accessibility.

With 30%<sup>1</sup> of Singaporeans holding crypto, integrating it allows Grab to meet the evolving preferences of its tech-savvy customer base, differentiate itself from competitors. The Asian crypto market revenue is expected to reach USD 11.1 billion by 2028<sup>2</sup>, this helps to expand Grab's market reach and capture the growth opportunity within digital payments.

Sources: 1 World Population Review, 2 Statista



## 02

### PhonePe expands UPI payments to Sri Lanka

The Unified Payments Interface (UPI) has transformed the financial landscape in India, making financial services accessible to anyone with a smartphone. In April 2024, the NPCI recorded over 13 billion transactions worth USD 228 billion through UPI, constituting 86% of the NPCI's total transaction volume<sup>3</sup>. UPI's influence is expanding globally, with nations like Mauritius, France, UAE, Singapore, Bhutan, Nepal, and Sri Lanka embracing its simplicity and interoperability.

NPCI is actively partnering with international payment service providers to simplify cross-border payments by integrating UPI with global payment networks. Indian payment giants like PhonePe, Paytm, Amazon Pay, and Google Pay are diligently working on integrating their systems to offer cross-border transactional capabilities for Indian travelers.

Recently, Sri Lanka joined this list through a collaboration between PhonePe and LankaPay, facilitating seamless UPI payments for Indian travelers. This partnership enables transactions via LankaQR codes, eliminating the need for cash and currency conversions. PhonePe has achieved a significant milestone by becoming the first to integrate UPI International. With 530 million registered users and a vast merchant network of 38 million, PhonePe processes over 230 million daily transactions, surpassing USD 120 billion in monthly total payment value in India<sup>4</sup>.

NPCI International Payments Limited (NIPL) plays a crucial role in creating a robust Open API infrastructure that enhances cross-border payments. This infrastructure enables secure, fast, and easy transfers of funds without incurring high foreign currency exchange fees.

Sources: 3 Forbes India, 4 NPCI







## 03

### Alipay+ integration boosts Move Digital's payment capabilities across APAC

MOVE Digital, the digital arm of Capital A (parent company of AirAsia MOVE and BigPay), has partnered with Ant International (Singapore) to integrate Alipay+ payment solutions into their platform. This will enable seamless payments with Alipay+ for their customers.

The APAC payments market is projected to grow from USD 13.93 trillion in 2024 to USD 26.03 trillion by 2029, with a CAGR of 13.32%.<sup>5</sup> Incorporating Alipay+ is expected to boost the company's transactional volume, expand payment options for customers.

The integration of Alipay+ into the platform also opens new opportunities for cross-border transactions and international commerce. As of January 2024, Alipay+ supports 25 digital wallets and covers 88 million merchants across 57 markets.<sup>6</sup> This enables users to access a broader network of merchants and services, facilitating smoother transactions and enhancing the overall user experience.

Moreover, MOVE Digital will also leverage the other Alipay+ wallet technologies, rewards programs, and value-added services to enhance user experience.

This collaboration highlights the trend of partnerships between traditional financial institutions, digital platforms, and fintech firms to drive innovation.

Sources: 5 Mordor Intelligence, 6 Alipay



## 04

### Empowering MSMEs through Islamic Banking-as-a-Service (BaaS) and 5G connectivity

Telekom Malaysia (TM) and Maybank Islamic have joined forces to introduce Malaysia's first Islamic banking-as-a-service (BaaS) solution, powered by 5G technology. This innovative collaboration aims to transform financial inclusion for over 400,000 micro, small, and medium enterprises (MSMEs) in Malaysia. MSMEs, which contribute nearly 38% of the country's GDP, often face challenges accessing digital tools and financial services.<sup>7</sup>

The core of this partnership is the Go Niaga mobile banking bundle, a comprehensive suite of financial services and digital tools specifically designed to meet the needs of businesses. Utilizing open APIs and data-sharing frameworks, this integrated solution will allow MSMEs to manage their finances efficiently and seamlessly expand into e-commerce using digital payment solution.

The amalgamation of Maybank Islamic's financial acumen with TM's Uni5G Postpaid Biz mobile packages ensures frictionless access to critical financial services through the BaaS platform, while simultaneously extending the reach of 5G connectivity to underserved communities.

The collaboration between TM and Maybank Islamic promises manifold benefits for MSMEs and the broader economy:

- **Financial inclusion:** Previously underserved businesses, especially micro and small enterprises, now have access to essential financial services and digital innovations necessary for their growth.
- **Digital empowerment:** The Go Niaga bundle offers businesses account and credit facilities, along with Maybank Islamic's QRPay Biz and Tap2Phone for payment acceptance. This enables cloud POS via mobile devices, vital for thriving in the digital economy, boosting online transactions and competitiveness.
- **Economic growth:** The partnership aims to empower MSMEs, potentially contributing to economic growth of up to 10%<sup>8</sup> by unlocking the potential of this vital sector of the economy.
- **Technological advancement:** The integration of 5G technology enhances connectivity, paving the way for more innovative solutions and fostering a digitally inclusive nation.

Sources: 3 Forbes India, 4 NPCI



## 05

### Saladin and ZaloPay redefine travel insurance experience in Vietnam

Saladin, a Vietnamese Insurtech company, and ZaloPay, a popular digital payment app, collaborated to introduce travel insurance products within the ZaloPay platform in Q1 2024.

This partnership allows customers smoothly purchase travel insurance when booking flights through ZaloPay, covering trip cancellation, medical emergencies, baggage loss, and more.

This collaboration showcases the synergy between fintech and Insurtech in Vietnam, with Saladin and ZaloPay combining expertise to address key pain points, drive innovation and customer engagement in the digital insurance space. By leveraging ZaloPay's extensive user base and seamless payment infrastructure, Saladin can reach a broader audience and provide tailored insurance solutions, enhancing the overall customer experience. Since the collaboration began, they have served 40,000<sup>9</sup> customers.

The embedded insurance market is anticipated to exceed USD 480 billion<sup>10</sup> by 2033. As Saladin and ZaloPay continue to innovate and expand their partnership, they are poised to play a leading role in shaping the future of digital insurance in Vietnam.

Sources: <sup>9</sup> Saladin, ZaloPay, <sup>10</sup> Data Horizon Research



## Outlook

The APAC financial sector is at the cusp of a transformative era, driven by the widespread adoption of open finance and strategic technological advancements. The examples highlighted in this report—from Grab's innovative cryptocurrency integration to PhonePe's expansion of UPI payments in Sri Lanka, and from MOVE Digital's Alipay+ integration to the pioneering efforts of Telekom Malaysia and Maybank Islamic—illustrate the profound impact of open finance on the region's financial landscape.

Open finance reshapes the BFSI industry through deeper customer engagement, enhanced financial inclusion, and innovation. Leveraging open APIs and data-sharing frameworks creates an interconnected, seamless financial ecosystem. Institutions must prioritize robust API strategies, advanced data analytics, and cybersecurity while embracing a cloud-first, innovative culture. Partnerships between traditional financial institutions, digital platforms, and fintech firms are essential.

The future of finance in APAC lies in the successful implementation of open finance principles. By harnessing the power of open finance, institutions can unlock a treasure trove of opportunities, driving growth and enhancing the overall customer experience.